COMNAVRESFOR INSTRUCTION 5200.4J

From: Commander, Navy Reserve Force

Subj: ELIMINATION OF FRAUD, WASTE, AND MISMANAGEMENT IN THE NAVY RESERVE

Ref: (a) SECNAVINST 5430.92B
(b) SECNAVINST 5200.34E
(c) OPNAVINST 5200.24C
(d) COMNAVRESFORINST 5040.1F
(e) SECNAVINST 5370.5B
(f) COMNAVRESFORINST 5200.8B CH-1
(g) DoD 5500.7-R, Joint Ethics Regulation, November 2011
(h) U. S. Navy Regulations
(i) Uniform Code of Military Justice

Encl: (1) Navy Inspector General Hotline Poster
(2) Fraud, Waste, and Mismanagement Command Assessment Areas

1. **Purpose.** To establish Commander, Navy Reserve Force (COMNAVRESFOR) policy to eliminate fraud, waste, and mismanagement in the Navy Reserve per references (a) through (i). This is a complete revision and should be read in its entirety.

2. **Cancellation.** COMNAVRESFORINST 5200.4H.

3. **Applicability.** Provisions of this directive apply to all echelons of command, full-time support, Navy Reserve Sailors and civilian personnel, including non-appropriated fund employees, within the COMNAVRESFOR claimancy.

4. **Background**

   a. Reference (a) establishes policy and responsibilities directed toward elimination of fraud, waste and mismanagement within the Department of the Navy (DoN). References (b) through (d) reiterate this policy and assign responsibilities related to follow-up on command evaluations and reports by audit organizations.

5. **Definitions**

   a. **Fraud.** Any willful means of taking or attempting to take unfair advantage of the government including but not limited to:
(1) The offer, payment or acceptance of bribes (18 U.S.C. 201) or the acceptance of gratuities.
(2) The making of false statements or submission of false claims.
(3) Use of false weights or measures, evasion, or corruption of inspectors and other officials.
(4) Deceit either by suppression of the truth or misrepresentation of a material fact. The adulteration or substitution of material, falsification of records and books of account, or making arrangements for secret profits. The commissions and conspiracy to use any of these devices.
(5) It also includes those cases of conflict of interest, criminal irregularities, and unauthorized disclosure of official information which is connected with procurement and disposal matters.

b. Waste. Any extravagant, careless, or needless expenditure of government funds or consumption of government property which results from deficient practices, systems, controls or decisions.

c. Mismanagement. Any wrongful or improper use of resources or any improper practices not constituting fraud or waste, but which violate statutes, regulations or good management practices.

6. Policy. The policy in references (a) through (f) is affirmed. COMNAVRESFOR is committed to an aggressive program directed toward the elimination of fraud, waste, and mismanagement within the Navy Reserve. All commands within COMNAVRESFOR claimancy will actively support this program through positive command attention and rigid compliance with regulations concerning receipt, accountability, and expenditure of financial and material resources. Those in positions of authority will not condone any form or degree of fraud, waste, and mismanagement involving government assets.

7. Action

a. Inspector General. COMNAVRESFOR Inspector General will maintain overall cognizance of the fraud, waste, and mismanagement abatement program and will:

(1) Inspect, investigate, or inquire into Navy Reserve matters of importance involving fraud, waste, and mismanagement.

(2) Keep COMNAVRESFOR informed of the program’s effectiveness and make recommendations accordingly.

(3) Monitor the status of all audits and investigations within the Navy Reserve claimancy involving fraud, waste, and mismanagement.
(4) Act as the headquarters focal point for action, follow-up, and reporting of management corrective action in response to audits per references (b) through (d).

b. **Commanders and Commanding Officers.** All commanders, commanding officers (COs) and other officials in positions of authority are responsible for managing all assigned resources (personnel, funds, material, time, equipment, facilities, space, and real property) with integrity and efficiency. Personnel in authority will strive to eliminate fraud, waste, and mismanagement of government assets through a system of internal controls that will include the following:

1. Lead by example and clearly define the personal responsibility, accountability, and conduct for command and supervisory personnel.

2. Inspect, investigate, or inquire into Navy Reserve matters of importance involving fraud, waste, and mismanagement.

3. Use command training sessions, discussions, and internal affairs publications to provide periodic indoctrination and orientation.

4. Use the Command Managers’ Internal Control Program (MICP) to evaluate resource areas most vulnerable to fraud, waste, and mismanagement.

5. Timely and thorough initiation of inquiries or investigations into all reports of illegal or improper acts, regardless of the report source. Investigations must be totally objective and outside the organizational unit being reviewed or investigated.

6. Use the Navy Criminal Investigative Service to conduct formal investigations into real or potential criminal offenses involving fraud.

7. Swift accountability by administrative or corrective action, with appropriate disciplinary or administrative follow-up action, in every instance where fraud, waste, or mismanagement is identified.

8. Comply with references (b) through (d) regarding required command response and follow-up actions on audit and management control reports.

c. **Navy Personnel.** All military and civilian personnel are charged to conform to standards of conduct as prescribed by references (g) through (i). Personnel having knowledge of potential fraud, waste, and mismanagement will follow the provisions of paragraphs 6i and 6j of reference (a) in reporting such violations. Reports of violations should normally be made to the immediate superior, Commander, or CO. In unusual circumstances or when anonymity is desired, reports may be made directly to COMNAVRESFOR Inspector General by:
Telephone: DSN 262-5678
COMM (757) 322-5678
FAX (757) 444-7709

Letter report:
Commander, Navy Reserve Force
Inspector General (N002)
1915 Forrestal Dr
Norfolk, VA 23551

TOLL-FREE HOTLINE:
1-866-237-2298
E-mail:
NWOR_NAVRESFORHOTLINE@navy.mil

Instances of fraud, waste, and mismanagement may also be reported to:

Department of the Navy
1-800-522-3451
NAVIGHotlines@navy.mil

Office of the Naval Inspector General
Attn: Navy Hotline, BLDG 172
1254 Ninth Street SE
Washington Navy Yard, DC 20374-5006

Department of Defense
1-800-424-9098
hotline@dodig.mil

U.S. Department of Defense
Office of Inspector General
4800 Mark Center Dr
Alexandria, Virginia 22350-1500

d. COs are encouraged to use enclosure (1) to enhance chain of command communications and local efforts supporting the Navy Hotline program. A template is available on the Navy Reserve Inspector General web site: https://www.navyreserve.navy.mil.

8. Command Inspections. Fraud, waste, and mismanagement have been identified as Secretary of the Navy/Chief of Naval Operations Special Interest Items and will be reviewed as part of the Command Assessment Program. Commands will be evaluated regarding documented effectiveness in areas required by references (a) through (g) and identified in enclosure (2).

9. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manual 5210.1 of January 2012.
10. **Review and Effective Date.** Per OPNAVINST 5215.17A, COMNAVRESFOR will review this instruction annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, DoD, SECNAV, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will automatically expire 5 years after effective date unless reissued or canceled prior to the 5-year anniversary date, or an extension has been granted.

[Signature]

T. W. LUSCHER
Deputy

**Releasability and distribution:**
This instruction is cleared for public release and is available electronically only via COMNAVRESFOR Web site, http://www.public.navy.mil/nrh/Pages/instructions.aspx
NAVY INSPECTOR GENERAL HOTLINE

Report Fraud, Waste, Mismanagement and Military Whistleblower Complaints to one of the following:

Installation/Command Representative
Telephone: __________________________
DSN: ________________________________
FAX: ________________________________
Email: ______________________________
Website: ____________________________

Commander, Navy Reserve Force
Inspector General (CNRF JG)
CNRF, Inspector General (N002) 1915 Forrestal Drive, Norfolk, VA 23551
Toll Free: (866) 237-2298 Comm: (757) 322-5678 DSN: 262-5678
Fax: (757) 444-7709
Email: NWOR_NAVRESHOTLINE@navy.mil
Website: https://www.navyreserve.navy.mil

Naval Inspector General
Toll Free: (800) 522-3451 Comm: (202) 433-6743 DSN: 288-6743
Fax: (202) 433-2613
Email: NAVIGHotlines@navy.mil
Website: http://www.ig.navy.mil

Department of Defense Inspector General
Toll Free: (800) 424-9098
Website: http://www.dodig.mil
Fraud, Waste, Mismanagement Command Assessment Areas

1. Fraud, Waste, and Mismanagement. Fraud, waste, and mismanagement such as theft or misuse of government property and conflicts of interest are serious matters which increase costs to the government and reduce resources available to support the operating forces. Efforts to attack fraud, waste, and mismanagement within the Navy require the support and cooperation of not only command, but of all DoN personnel. To ensure that commands and individuals are aware of their responsibility to support ongoing efforts to combat fraud, waste, and mismanagement, the following will be thoroughly reviewed by all inspecting authorities:

   a. Command and individual compliance with the provisions of reference (a).

   b. Command efforts to publicize COMNAVRESFOR or other Department of Defense Hotline telephone numbers for individual reporting of suspected fraud, waste, and mismanagement activities.

   c. The effectiveness of the Command MICP within shore activities, as a tool of command for the prevention of fraud, waste, and mismanagement.

   d. Command efforts to expedite positive disciplinary or administrative corrective action.

   e. Command compliance with references (b) through (f).