

NAVAL CENTER FOR COST ANALYSIS



POLICY MANUAL



DEPARTMENT OF THE NAVY

NAVAL CENTER FOR COST ANALYSIS
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1 February 2001

From: Director, Naval Center for Cost Analysis

Subj: POLICY MANUAL

Encl: (1) Policy Manual

1. Purpose. To issue the Policy Manual for the Naval Center for Cost Analysis.
2. Scope. This Policy Manual prescribes the policy, organization, and administrative procedures for the Naval Center for Cost Analysis. This manual is not intended as a source document for the preparation of cost estimates or assessments, but rather as a guide for the conduct of day-to-day administrative activities within NCCA.
3. Applicability. All persons assigned to the Naval Center for Cost Analysis will comply with the responsibilities, duties, and procedures contained in enclosure (1).
4. Revision. Proposals for revisions/changes in organization, function, or procedures should be submitted through the chain of command to the Director. The manual will be reviewed, and revised as necessary, annually during the month of July.

C. OWENS

Distribution:
All Staff Members

NAVAL CENTER FOR COST ANALYSIS

POLICY MANUAL

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Table of Contents	1
Record of Changes	3
Chart - NCCA Organization	5
Chapter 1 - General Information	7
101 - Authority	7
102 - Mission	7
103 - Function	7
104 - Vision	8
Chapter 2 - Organization of the Naval Center for Cost Analysis (NCCA)	9
201 - Director, NCCA	9
202 - Deputy Director	9
203 - Special Assistant for Acquisition/Special Projects	10
204 - Head Secretary	10
205 - Cost Research/Business Operations Division	11
206 - Economic Studies Division	12
207 - Platform Program Support Division	13
208 - Cost Analysis Tools Division	13
209 - Automated Information Systems and C4ISR Division	14
210 - Technical Review Board (TRB)	14
211 - OPNAV Support	15
Chapter 3 - Personnel Management	17
301 - Cost Analysis Intern Program	17
302 - Evaluations	18
303 - Training	20
304 - Compressed Work Schedule	22
305 - Personnel Recruitment	27
306 - Timecard Management	28
307 - Overtime/Compensatory Time	29
308 - Telephone Usage	29
309 - Flex-place/Telecommuting	30
310 - Workplace Conduct	31
311 - Mentor Program	31
Appendix 3.1 - PARS Quick Reference Guide	32
Appendix 3.2 - IDP Quick Reference	33
Appendix 3.3 - Work Schedule Request	34
Appendix 3.4 - Administrative CWS Revision	35
Chapter 4 - Correspondence Procedures	37
401 - General Correspondence	37
Appendix 4.1 - Memorandum for NPDM Principals	40
Chapter 5 - Management Control	41
501 - Management Control Program	41
Appendix 5.1 - GAO Internal Control Standards	43

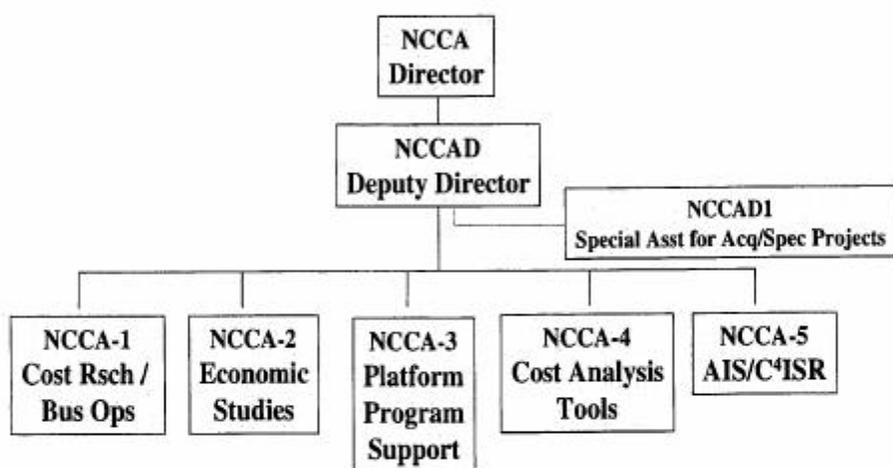
Chapter 6 - Budget Administration	45
601 - Budget Formulation and Planning	45
602 - Training	47
603 - Travel Management	47
604 - Budget Execution	50
Appendix 6.1 - Request for Training	52
Appendix 6.2 - Request for Travel Funds	53
Appendix 6.3 - Responsibilities of Government Travelers	54
Chapter 7 - Cost Research and Contract Administration	55
701 - Cost Research	55
702 - Contract Administration	56
Chapter 8 - Equipment Control	61
801 - ADP Inventory	61
802 - Minor Property	63
Chapter 9 - Security	65
901 - Command Management	65
902 - Security Education	65
903 - Management of Classified Material	66
904 - Daily Security Procedures	69
905 - Telephone Usage	70
906 - Use of STU-III Terminals	70
907 - Visitor Control	71
908 - Visit Requests	71
909 - Procedures for Removal of Property from NCCA	72
910 - Foreign Travel	72
911 - ADP Security	72
Appendix 9.1 - Personal Certification of Training	76
Chapter 10 - Emergency Procedures	77
1001 - Evacuation Procedures	77
1002 - Types of Emergencies	77
Addendum 1 - Recurring Reports	81
References	83

RECORD OF CHANGES

Change

Date

Organization



CHAPTER 1

GENERAL INFORMATION

101 Authority. The Secretary of Defense is required by Public Law (Title X of the U. S. Code, Section 1203 (a) (1), Chapter 4) to obtain a cost estimate, which is independent of the concerned service acquisition chain of command, when making development and production milestone decisions involving major weapon system acquisition programs (ACAT I). The OSD Cost Analysis Improvement Group (CAIG), a standing committee under ASD(PA&E), is charged with preparing this independent estimate. The CAIG, in turn, requires that services concerned provide the CAIG with both independent and service cost estimates for service-respective (ACAT IC/IA) programs approaching a milestone decision point.

102 Mission. The Naval Center for Cost Analysis (NCCA), a shore activity reporting to the Assistant Secretary of the Navy for Financial Management and Comptroller (ASN(FM&C)), is tasked with providing the CAIG with independent cost estimates for all DoN ACAT IC and IA programs at milestone decision points and in support of special OSD reviews. In addition, NCCA serves as the DoN focal point for cost estimating policy, and provides various cost estimating services to the Secretary of the Navy and the Chief of Naval Operations. NCCA is functionally organized into five divisions: including a cost research and business operations division, an economic studies division, a platform program support division, a cost analysis tools division and an automated information systems and C4ISR division.

103 Functions. Chief among the functions performed by the Cost Center are:

(a) Advise the Secretary of the Navy and Chief of Naval Operations on matters relating to weapon system cost estimates and analysis for planning, financial management and negotiation of major limited competition contracts.

(b) Lead the DoN cost community in issues of cost policy and policy implementation.

(c) Perform analysis:

(1) Provide cost economic analysis support to the Planning, Programming, Budgeting System (PPBS), and other Navy decision making processes.

(2) Prepare Independent Cost Estimates (ICEs) for ACAT IC/IA programs.

(3) Conduct Force Structure, Operations and Support, and Installation cost analysis.

(4) Conduct special cost analyses as requested by Program Executive Offices and Secretariat agencies, to include cost estimates in support of contract negotiations.

(5) Provide cost analysis support as necessary in support of the Defense Acquisition Board (DAB) review process, including Analysis of Alternatives (AoA) studies.

(6) Conduct economic analyses of weapon system, equipment and Automated Information Systems acquisition to include analysis and forecasting of labor industrial and technical trends as they impact the overall process.

(7) Provide cost and economic analysis in support of industrial base assessments.

(d) Develop databases, cost models and cost estimating relationships.

- (e) Assess the nature and quality of Navy cost databases.
- (f) Manage the Navy's implementation of the DoD Visibility and Management of Operating and Support Costs (VAMOSOC) Program.
- (g) Advise Systems Command cost analysis staffs, program managers and review boards on the quality and adequacy of program budget cost estimates.
- (h) Develop techniques for application of improved cost analysis methodology throughout DoN.
- (i) Collect and disseminate cost analysis/estimating "lessons learned" so that other cost analysts and agencies can benefit from estimating experiences.
- (j) Document all cost estimating efforts for purposes of replication.
- (k) Ensure the professional development of the cost personnel in all aspects of the cost analysis discipline.
- (l) Develop training requirements criteria and procedures for documenting training efforts.
- (m) Represent the ASN(FM&C) in liaison with OPNAV and OSD staffs and agencies outside DoN on matters relating to weapon system cost estimates, both in the acquisition and PPBS processes.
- (n) Develop and promulgate cost risk, cost analysis, and economic analysis policy for the Navy.
- (o) Upon request, participate in contract source selection process and associated proposal evaluations.
- (p) Support the life cycle management concept through life cycle costing of Navy acquisitions.
- (q) Support implementation of policies, processes and procedures aimed at reducing the Total Ownership Cost for all major and non-major acquisition programs.
- (r) Support program office Integrated Product and Process Teams (IPPTS) where cost control or the development of product cost estimates are the principle focus.

104 Vision Statement. It is the goal of NCCA to:

- (a) Perform quality cost estimating services for the Secretary of the Navy. To explore new approaches for assessing evolving manufacturing methods, new technologies, and creative acquisition and procurement strategies. To develop and refine means for accurate assessment of information technologies and automated information systems. To assist Navy Leadership in decision making by providing increased cost fidelity to major programs and ventures. To shed light.
- (b) Provide a working environment that values an individual's opportunity to excel, and recognition for quality work performed. To provide fulfilling work. To the maximum extent possible, to instill job satisfaction and a realistic expectation of the opportunity for upward career mobility among all NCCA staff...regardless of skill code or assignment.
- (c) Ensure a workplace that is fair, free of harassment (perceived or otherwise), and that promotes both professional and personal growth. To establish and maintain an environment in which employees look forward to working.

CHAPTER 2

ORGANIZATION AND FUNCTIONS OF NAVAL CENTER FOR COST ANALYSIS (NCCA)

201 Director (NCCA)

201.1 General Responsibilities. The Director of the Naval Center for Cost Analysis (NCCA) serves as the Chief Executive Officer and the Chief Operating Officer of the organization. The Director is responsible for the successful execution of the organization's primary mission, including provision to higher authority for analyses of the costs associated with the development, acquisition and deployment of major DoN weapon and information management systems. The Director is responsible for implementation of those policies and procedures necessary to ensure the quality of cost estimates prepared within the organization. The Director is also responsible for ensuring, through hiring, training, evaluation and promotion practices, that the organization is served by professional cost analysts of a quality commensurate with its unique and vital role. The Director represents DoN in forums and committees in which the interests of cost estimating are at issue. Finally, the Director performs such other duties as are prescribed by the ASN (FM&C) who is the Director's direct reporting senior.

201.2 Direct Duties

(a) Serves as the DoN representative on the Office of the Secretary of Defense (OSD) Cost Analysis Improvement Group (CAIG); coordinates the presentation of DoN and independent cost estimates (ICEs) to the CAIG.

(b) Advises the ASN (FM&C) and the Deputy (FM&C) concerning cost issues associated with all weapon and information system acquisition programs prior to their presentation to the Navy Program Decision Meeting (NPDM)/MCDPM; when appropriate, provides a memorandum to all NPDM/MCPDM principals, consisting of an assessment of the proposed DoN cost position for all weapon and information system acquisition programs presented to the NPDM/MCPDM for review and/or decision.

(c) Manages the Visibility and Management of Operations and Support Costs (VAMOSOC) program.

202 Deputy Director (NCCAD)

202.1 General Responsibilities. The Deputy Director of the Naval Center for Cost Analysis is the second-ranking executive in the organization, and the senior advisor to the Director. In the absence of the Director, the Deputy Director is authorized to assume the duties of the Director, subject to general guidelines established by the Director. In this capacity, the Deputy Director may represent the organization at a variety of cost estimating-related forums. Additionally, the Deputy Director is responsible for the training and professional development of cost analysts assigned within the organization.

202.2 Direct Duties

(a) In the absence of the Director, serves as the DoN representative on the OSD (CAIG), and coordinates presentation of DoN acquisition programs to the CAIG.

(b) Subject to general guidelines established by the Director, signs correspondence "By Direction." In the absence of the Director, signs correspondence "Acting."

(c) Is responsible for the quality and accuracy of NCCA products.

- (d) Directly supervises the Special Assistant for Acquisition/Special Projects.
- (e) Chairs meetings of the Technical Review Board (TRB).

203 Special Assistant for Acquisition/Special Projects (NCCAD1)

203.1 General Responsibilities. The Special Assistant for Acquisition/Special Projects provides direct support to the Direct and Deputy Director on all acquisition matters. The Special Assistant is the top-level supervisor for the conduct/scope of NCCA cost support provided to the OPNAV Assessment Division (N81) in the conduct of Integrated Warfare Architectures (IWARS) and the CNO's Program Assessment Memorandum (CPAM) analyses. The special Assistant is the manager of resources for conducting special studies as identified through customer interaction and directed or approved by the Director/Deputy Director. The Special Assistant functions as the competency expert in matters relating to acquisition and program management. Accordingly, the incumbent monitors all ongoing and requested Cost Center efforts to ensure quality support and advice for SECNAV/CNO. Typical assignments include the analysis of program baselines and acquisition strategies to identify cost issues for automated information systems (AISs) and major weapon systems. The Special Assistant is the primary NCCA liaison with the ASN (RD&A), Program Executive Officers (PEOs), and other members of the acquisition community.

203.2 Direct Duties.

(a) Provides policy direction, guidelines, and advice to analysts on how to proceed with baseline, programmatic and cost analyses of weapon systems and special projects. Instructs others in the tools and techniques of program baseline analyses and the analysis of acquisition issues and special programs.

(b) Effects necessary liaison with the Navy, OSD, and contractors to obtain programmatic and cost information, data, and models in order to evaluate analyses forwarded to the SECNAV/CNO. Assists new/junior analysts with establishing points of contact for data collection.

(c) Represents the Director and Deputy Director on acquisition/programmatic issues at SECNAV, OPNAV, and SYSCOM meetings, conferences or presentations, and/or other designated gatherings.

204 Head Secretary

204.1 General Responsibilities. The Head Secretary is responsible for the overall day-to-day administrative activities of the Center, which includes a head office, the offices of the Director, the Deputy Director, and five subordinate divisions. The Head Secretary exercises direct control over personnel administration, communications and correspondence, directives, control, file and record maintenance, requisition and supply, mail, travel and transportation, safeguarding of classified material and sensitive information, and maintenance of office spaces and installed equipment. The Head Secretary provides assignments and guidance to two clerk-typists.

204.2 Direct Duties

(a) Serves as personal secretary to the Director, exercising control over the calendar, appointments, meetings, travel arrangements and correspondence.

(b) Receives all visitors and phone calls, refers visitors and callers to the appropriate office and informs the Director of required background and subject matter concerning personal visitors and callers.

(c) Provides guidance to two clerk-typists assigned to the front office. Duties include training, distribution of workload, preparation of timecards and input to annual and special evaluations.

(d) Is responsible for establishing and maintaining routine office activities, including preparation of unique correspondence and reports, scheduling of inter-office meetings, and ensuring that a necessary degree of uniformity and coordination is maintained in the practices and procedures of the front office and subordinate divisions.

(e) Is responsible for correspondence and records management within the office, including establishment, revision as necessary, and maintenance of organizational records; receipt, control and distribution of mail and correspondence; and the review of outgoing correspondence to ensure adherence to DoN and NCCA policies; and acquisition and maintenance of required reference publications.

(f) Serves as the organization liaison with the office's administrative support organization, the Administrative/Fiscal Division of the Office of the Comptroller of the Navy (FMA).

(g) Oversees all aspects of personnel administration within the organization and interviews and assesses all applicants for clerk-typist positions.

(h) Processes all military leave papers, and is responsible for verification and submission of all military personnel reports.

(i) Is responsible for the preparation and/or verification of all travel and TAD orders.

(j) Coordinates with the NCCA Security Manager for all security related matters and manages the NCCA classified material control log and database.

(k) Is responsible for requesting the procurement of office supplies, forms, furniture, equipment, books and subscriptions; maintenance of stock levels; and for receipt, verifications and proper distribution of supplies and equipment. Is responsible for maintaining the property management log for non-expendable equipment.

(l) Serves as coordinator and primary liaison between NCCA, the Naval Systems Commands, and the various branches of the Consolidated Civilian Personnel Office (CCPO) for the Navy's Cost Analysis Intern Program.

205 Cost Research/Business Operations Division (NCCA-1)

205.1 General Responsibilities. Under the general supervision of the Deputy Director, NCCA, the Cost Research/Business Operations Division is the focal point for cost research and fiscal and administrative matters within the center; leadership and coordinator of DoN Cost Research. Major responsibilities include: coordinator of all budgetary issues; oversight of matters pertaining to policy and guidance of the Center; and leader and coordinator of all administrative and financial affairs of the Center.

205.2 Direct Duties

(a) Cost Research

(1) Be the focal point of cost research interaction between NCCA, other Naval activities, OSD and the other Services.

(2) Serve as the Navy representative to the OSD Cost Research Working Group.

(3) Maintain a library of technical reports related to cost research, including those funded by NCCA.

(4) Maintain continuous oversight of all NCCA-sponsored cost research efforts.

(5) Develop an annual NCCA Cost Research Plan.

(b) Business Operations

(1) Assign tasks and priorities to others to assure timely completion of all administrative and budgetary matters, rating employees, counseling and resolving complaints as appropriate.

(2) Monitor and assess all budgetary, ADP procurement, and personnel functions for the Center.

(3) Assess unfilled requirements (both military and civilian end-strength) and develop job vacancy announcements/solicitations.

(4) Liaison with military detailers, and oversee civilian promotion and enlistment programs (Co-op and Intern Programs).

(5) Ensure that the ASN (FM&C) and the Director, Naval Center for Cost Analysis are apprised of all issues related to policy and procedures pertaining to administrative and budgetary functions.

206 Economic Studies Division (NCCA-2)

206.1 General Responsibilities. Under the general supervision of the Deputy Director, NCCA, the Economic Studies Division is responsible for supporting DoN and OSD decisions on weapon system acquisition. Major responsibilities include: analysis of alternative acquisition strategies for weapon system development and procurement; analyses of the financial health of major defense contractors in support of NCCA cost estimates; analyses of contractor cost and schedule performance on major Navy contracts; management of the Navy's Contractor Cost Data Report (CCDR) program; and performance of special studies. Other major responsibilities include computation and publication of inflation indices.

206.2 Direct Duties

(a) Directly supervises a staff of professional cost analysts. This supervision includes assigning tasks, providing guidance, reviewing results and rating employees. It also entails the establishment of an individual development plan for each employee.

(b) Ensures that estimates of the costs of alternative acquisition strategies are technically sound, credible, complete, timely and fully documented.

(c) Ensures that analyses of the financial health of companies are complete and timely.

(d) Ensures that estimates of the costs of major weapon system contracts are sound, complete, and timely.

(e) Ensures that forecasts of overhead rates for major defense contractors are based on valid statistical methodology.

(f) Contributes to the improvement of cost analysis throughout the DoN by managing research studies. These entail both in-house and contractor efforts.

(g) Ensures that the ASN(FM&C) and the Director, NCCA are apprised of all emerging economic analysis issues.

(h) Coordinates with other services and OSD to develop common policies, standards and practices for the collection, storage and management of cost data.

207 Platform Program Support Division (NCCA-3)

207.1 General Responsibilities. Under the general supervision of the Deputy Director, Naval Center for Cost Analysis (NCCA), the Platform Program Support Division is responsible for preparing technically sound and credible cost estimates to support DoN and OSD milestone decisions and special reviews on major Platform programs. Major responsibilities of the Platform Program Support Division include: provides independent estimates in support of DoN milestone decisions for ACAT 1C programs; ensures DoN estimates of Platform Support programs are technically sound and credible; and provides various cost estimating services to the Secretary of the Navy and Chief of Naval Operations.

207.2 Direct Duties

(a) Directly supervises a staff of professional cost analysts. This supervision includes assigning tasks, providing guidance, reviewing results and rating employees. It also entails the establishment of an individual development plan for each employee.

(b) Ensures that cost estimates of Platform Program Support programs are technically sound, credible, complete, timely and fully documented.

(c) Ensures that Platform Program Support program cost estimating support to the Secretary of the Navy and to the Chief of Naval Operations is responsive.

(d) Ensures that DoN approved program manager cost estimates for Platform Program Support programs are technically sound and credible.

(e) Contributes to the improvement of cost analysis throughout the DoN by managing Platform Program Support cost research studies. These entail both in-house and contractor efforts.

(f) Ensures that the ASN(FM&C) and the Director, NCCA are apprised of all emerging Platform Program Support program cost issues.

208 Cost Analysis Tools Division (NCCA-4)

208.1 General Responsibilities. Under the general supervision of the Deputy Director, Naval Center for Cost Analysis (NCCA), the Cost Analysis Tools Division is responsible for the management and analysis for cost, contract performance and budgetary data within NCCA. Major responsibilities include management of the VAMOS system, oversight of agency ADP functions, and review of the Navy/OSD CCDR system.

208.2 Direct Duties

(a) Supervises a staff of professional cost analysts. This supervision includes assigning tasks, providing guidance, reviewing results, establishing individual development plans and rating employees.

(b) Ensures that cost data is managed effectively and efficiently by NCCA staff.

(c) Serves as the VAMOS program manager. Ensures that Navy VAMOS is responsive to users, accurate, efficient and cost effective.

(d) Ensures that the division is responsive to users' needs and that division staff provide timely cost data to other NCCA divisions for use in cost estimates and support other Navy and DoD activities with cost data and analysis.

(e) Contributes to the improvement of cost analysis throughout the DoN by managing weapon systems operating and support cost research studies. These entail both the in-house and contractor efforts.

(f) Ensures that the ASN (FM&C), the Director, and NCCA personnel are apprised of all emerging VAMOSOC issues.

(g) Provides an annual review to the OSD (CAIG) on VAMOSOC Program Management and qualitative and quantitative assessment of VAMOSOC data as it relates to life cycle cost estimates.

(h) Provides ADP support to all other NCCA divisions.

209 Automated Information Systems and C4ISR Division (NCCA-5)

209.1 General Responsibilities. The Automated Information Systems (AIS) and Command, Control, Communications, Computers/Intelligence, Surveillance and Reconnaissance (C4ISR) Division is responsible for preparing technically sound and credible independent cost estimates (or component cost analyses (CCAs)) to support DoN and OSD milestone decisions and special reviews on major AIS and software intensive systems. Major responsibilities of the AIS and C4ISR Division include: provide independent estimates or assessments to support milestone decisions for major AIS and Software programs; ensure DoN estimates of AIS and Software programs are technically sound and credible; provide various cost estimating services to the Secretary of the Navy, the Chief of Naval Operations, Health Affairs and other Defense agencies; represent DoN interests on Joint Systems, and conduct and manage software cost research.

209.2 Direct Duties

(a) Directly supervises a staff of professional cost analysts. Supervisory duties include assigning tasks, providing guidance, reviewing results, developing individual development plans and rating employees. Responsible for: setting priorities and preparing schedules for completion of work; assigning work to subordinates; giving advice, counsel or instruction to individual employees on both work and administrative matters; hearing and resolving complaints from employees; effecting minor disciplinary measures; and identifying developmental and training needs of employees.

(b) Ensures that independent cost estimates or assessments of AIS and software intensive systems are technically sound, credible, complete, timely and fully documented.

(c) Monitors and assesses all AIS related cost issues. Anticipates future problems by assessing the accuracy of all major AIS cost estimates and by being generally knowledgeable of major AIS and software systems, including exploratory and advanced development, engineering development and production. Assures that exceptional problems of a policy nature requiring decision, action or assistance are brought forward and resolved in a timely and adequate manner.

(d) Contributes to the improvement of cost analysis throughout the DoN by managing both weapon system (tactical) and AIS (non-tactical) software research studies. These studies entail both development and maintenance studies conducted by in-house and contractor provided resources.

(e) Participates on various DoN and OSD led IPTs to facilitate the development and improvement of the process for ensuring the accuracy of AIS and software intensive system cost estimates.

210 Technical Review Board (TRB)

210.1 Policy. The Technical Review Board (TRB) consists of all NCCA cost analysts and is chaired by the Deputy Director. The Board is convened to review the technical content, fidelity and quality of NCCA cost products that are provided to ASN, OPNAV and outside agencies. These products will include, but are

not limited to Independent Cost Estimates, Cost Assessments, Component Cost Analyses, DoD Cost Analysis Symposium briefings, and work products provided to industry and civilian cost agencies. One by-product of TRBs is the educational benefit to junior cost personnel and interns, and the exposure of new cost techniques and approaches to the organization. Additionally, TRBs help to assure consistency of product. TRBs are convened at the direction of the Deputy Director or at the request of any Division Head.

211 OPNAV Support

211.1 Policy. NCCA provides resource support to the Assessment Division of OPNAV (N81) in order to increase the cost fidelity of the Division's products, and to assist in cost analysis for the Integrated Warfare Architectures (IWAR)/CNO's Program Assessment Memorandum (CPAM). In general, this support consists of five cost analysts on-site, one off-site support supervisor, and additional support from NCCA headquarters staff. Assigned personnel will be a mix of military and civilian analysts who will be provided TDY to N81 for a period of approximately one year, commencing annually at the end of the IWAR/CPAM cycle (normally in the March timeframe). Analysts may continue iterative rotational assignment to N81 at the approval of the Director/Deputy Director and their respective N81 Division/Branch Head. Assigned civilian analysts will be 1515 cost analysts, certified at least at the DAWIA Level II (BCEFM). Assigned military analysts will have XX42P/Q codes, and certified at least at the DAWIA Level I (BCEFM).

(a) On-Site Supervisor. The On-Site Supervisor is a collateral assignment to the normal duties of one of the OPNAV support analysts. As such, the On-Site Supervisor is a senior analyst responsible for the resource utilization and cost products of NCCA analysts assigned to N81. This Supervisor conducts regular (weekly) meetings with assigned analysts to apportion workload and review current assignments; conducts quality assurance reviews of ongoing efforts; provides career guidance, counseling and mentoring as necessary; and acts as On-Site Liaison to NCCA headquarters' points-of-contact. In particular, this Supervisor acts as the on-site arm of the NCCA senior staff, and responds directly to the Special Assistant for Acquisition/Special Projects.

(b) Special Assistant for Acquisition/Special Projects. This individual has overall supervisory responsibility for the support provided to OPNAV. The Special Assistant attends regular N81 staff meetings, represents the Director/Deputy Director during IWAR/CPAM strategy formulation at N81 off-sites, and provides overall top-level management of the work effort and product of assigned analysts. Additionally, the Special Assistant works with both the support analysts and NCCA Division Heads to develop annual support for forecasting workload and resource allocation. The Special Assistant performs duties as First-Level Supervisor for all assigned civilian analysts.

211.2 OPNAV Support Analyst Duties

(a) Provide cost support to N81 staff, as requested, to include support to Integrated Focus Area Teams, N81 Section Heads, and IWAR Team Leads. Support may include, but is not limited to, IWAR studies, CPAM alternative assessments, Cost Reduction Initiative analysis, special studies and short fuse tasking. Analysts will prepare presentations and briefings in support of assigned cost work.

(b) While assigned, analysts may expect to perform cost duties either independently or as a team member for NCCA headquarters, dependent on their availability. They may additionally perform cost efforts for another N81 Branch/Team than the one to which they are directly assigned.

(c) For administrative purposes (Leave, Performance Reviews, FITREPS, etc.) assigned personnel are still considered NCCA staff, and report via the On-Site Supervisor to the Special Assistant for Acquisition/Special Projects. However, all Special Liberty, Leave and Schooling requests will be closely coordinated with their assigned N81 Sections/Teams.

CHAPTER 3

PERSONNEL MANAGEMENT

301 Cost Analysis Intern Program (AIP)

301.1 Purpose. To establish policies, objectives, responsibilities, and procedures for the NCCA Cost Analysis Intern Program (CAIP).

301.2 Definition. NCCA participates in the DoN AIP. The AIP is a centrally managed and funded program that provides highly qualified and talented entry-level people an opportunity for rapid advancement, regular promotions, systematic development, career broadening assignments and graduate education to prepare them for careers in the Department of the Navy Acquisition Workforce. It is a program established by the Navy's Director, Acquisition Career management (DACM), and is managed through the Department of the Navy Career Management Site (CMS) in Mechanicsburg, Pennsylvania.

301.3 Background. Established on October 1, 1992, the AIP was based on earlier career development programs dating back to 1974. Its purpose was to create a cadre of highly skilled professionals to meet projected acquisition workforce needs. Details of this program may be found in the Department of the Navy Acquisition Intern Program Managers Handbook, dated September 1998.

301.4 Policy. DoN policy is to use the CAIP to develop a cadre of analysts who will possess the professional competence needed to estimate the life-cycle costs of Navy weapon systems.

301.5 Staff. Specific Program staff are:

(a) Command Functional Representative. Under the AIP, each Systems Command or major claimant provides one representative per career field. NCCA has one career field, Business, Cost Estimation and Financial Management (BCEFM), and unless otherwise assigned by the Director, NCCA, the Command Function Representative is the Head of the Cost Research/Business Operations Division. The NCCA Functional Representative is accountable for:

- (1) Serving on the appropriate DoN career field functional board to establish Master Development Plan (MDP) requirements.
- (2) Being the NCCA career field contact for CMS.
- (3) Advising CMS on NCCA's career field.
- (4) Resolving intern placement problems.
- (5) Monitoring intern and AIP results.

(b) Intern Counselor. An Intern Counselor is an individual at the Command to whom elements of an intern's development program may be delegated. The Intern Counselor at NCCA is the Head of the Cost Research/Business Operations Division, unless otherwise designated by the Director, NCCA. The Intern Counselor is accountable for the following delegated elements of an intern's development program:

- (1) Educational and development counseling
- (2) Progress reports

- (3) Appraisal input
- (4) Administration and processing functions
- (5) IDP completion, submission and implementation of AIP and specific rotational assignments
- (6) Arranging, monitoring and evaluating rotational assignments
- (7) Coordinating and communicating with rotational site supervisors and Career-Field Managers
- (8) Participating in intern recruiting and interviewing candidates
- (9) Overseeing completion of senior project when required
- (10) Overseeing promotions, certification and graduation to target position

301.6 Allocation and Recruiting Process. Annually, NCCA responds to a data call by the Navy DACM by providing intern requirements for the next year. CMS develops and implements a recruiting program to obtain candidates for the identified intern positions. At its discretion, NCCA may undertake recruitment actions of its own by visiting universities or participating in job fairs. NCCA will notify CMS of any potential candidates identified through independent recruitment activities, and CMS will process their applications.

301.7 Administrative and Training Support. The NCCA Head Secretary will assist division heads in the preparation of intern IDPs. The Head of the Cost Research/Business Operations Division, in discharging administrative functions related to intern recruitment, will register interns for DAWIA training courses and resolve intern personnel issues that may arise.

302 Evaluations

302.1 Civilian Employees

302.1.1 Background. Supervisors and managers are required to prepare an annual evaluation of their employees based upon the performance standards established at the beginning of the rating period per references (a) and (b).

302.1.2 Definition

(a) PARS, Performance Appraisal Review System. PARS is the evaluation rating system for GS-1 through GS-15 employees.

302.1.3 Performance Criteria

(a) The PARS rating cycle for the Secretariat and Staff Offices is 1 July to 30 June, of which the basic procedures are described in references (a) and (b) respectively.

(b) The performance plan establishes the focus of an employee's work efforts. Development of the PARS provides the supervisor with the opportunity to talk with their employee and build a stronger working relationship, while meeting the overall goals and objectives of the organization.

(c) Supervisors and managers are required to prepare standards of performance based upon the employee's position description and an Individual Development Plan (IDP) by the 1st of July. These two documents should be re-evaluated any time there is a job change, a change in training availability, or if

there is a change in the workload that impacts the job. The performance standards placed into effect 1 July are the criteria used in determining the overall rating of an employee.

(d) Upon completion of the standard, the supervisor should be prepared to discuss the organization requirements, priorities and individual objectives with the employee. Every employee is required to have at least one critical element, but a minimum of three critical elements is recommended, with sufficient objectives so as to define what is expected of the employee during the rating period in order to receive a fully successful or better evaluation. The number of critical elements is dependent upon the type of work being performed by the organization. All performance standards will be prepared on an annual basis for PARS employees, signed by the first level supervisor, the employee, and the second level supervisor, in accordance with reference (b). Appendix 3.1 is a quick reference guide for the PARS.

302.1.4 Policy

(a) Supervisors are required to conduct a mid-year review of all employee performance standards, normally during the month of January. The performance standards placed into effect 1 July are the criteria used in determining the overall rating of an employee. Should an employee's performance be less than fully satisfactory, supervisors are required to hold additional sessions to explain shortfalls or amend the performance standards to assure compliance with the mission or need of the organization. Mid-year and special reviews will be so noted on the NAVSO 12430/10 form.

(b) The end-of-year evaluations will be completed within 30 days following the end of the rating period, 30 June. FMA normally provides NCCA with a quick reference guide containing instructions on how the PARS evaluations are to be prepared along with the latest DoN instructions.

(c) Individual rating will not be discussed with the employee during the evaluation process. The end-of-year appraisal must have signatures of the immediate supervisor and second level supervisor prior to final review and discussion with the employee. Upon approval by the second level supervisor, the division head is to discuss the reasons for a specific rating with the employee. This will assist the employee in further understanding the positive and negative aspects of his/her performance.

(d) Monetary discussions should not be held with the employee during the evaluation process. However, supervisors shall be cognizant of how the written evaluation of an employee's performance determines the size of potential future pay increases and possible performance awards. Additionally, supervisors shall be cognizant of the morale impact that the award system has upon the organization and make every effort to assure that superior performance is recognized.

(e) The end-of-year evaluation is the time to determine how to improve employee effectiveness while developing the next year's performance standards and the individual development plan. Special procedures for evaluating employees may be established by senior management.

302.2 Military Personnel

302.2.1 Purpose. Officer fitness reports shall be prepared and submitted in accordance with reference (c). The following guidelines are established to ensure uniformity in the preparation and submission of officer fitness reports within NCCA.

302.2.2 Policy

(a) During the final month of regular reporting periods, or within one month of the due date for a special fitness report (detachment, etc.), each officer being reported upon will submit an input to the rating senior officer via the appropriate division head.

(b) Fitness report input will be limited to a list of significant accomplishments achieved during the reporting period, plus an indication of (1) the officer's preference for next assignment, (2) the officer's ultimate career objective (optional), and (3) desires regarding advanced education. Each officer will

complete Section A of the Report on the Fitness of Officers worksheet and submit with fitness report inputs.

(c) Division Heads will forward fitness report inputs to the Director, along with a brief written summary of the demonstrated capabilities of the officer concerned. The input and summary should be submitted not later than 15 days prior to the end of the marking period, or of the due date of special evaluations.

(d) End dates for regular fitness report are as follows:

Grade	Date
O-6	31 July
O-5	31 August
O-4	30 September
O-3	31 January

303 Training

303.1 References

(a) DoN policies and delegation of responsibilities for civilian employee training and career development are delineated in SECNAV Instruction 12410.22A, reference (a).

(b) The Assistant Secretary of the Navy (Manpower and Reserve Affairs) has overall responsibility for the DoN civilian employee training and career development program. AA/USN is responsible for developing and publishing implementing instructions based on policies and requirements of reference (d) and reference (e).

(c) The written instructions described above are delineated in reference (f).

(d) DoN policies concerning executive, management and supervisory development are outlined in reference (g).

303.2 Purpose

(a) The purpose of employee training and career development is to ensure that personnel are able to meet present and future mission requirements. Specific job related training is important in honing the technical skills of NCCA employees and enhancing career development. NCCA offers employees the opportunity to pursue both on-duty and off-duty training opportunities which are specific to job related requirements.

(b) Training includes formal and informal learning experiences aimed at acquiring skills, knowledge, and abilities to improve or maintain current employee performance of official duties, tasks and responsibilities.

(c) Career development is the process of preparing employees for future, likely, mission-related duties and responsibilities and career progression. Developmental activities may include planned career progression programs, work assignments, independent study, job rotation, and team-leader assignments.

303.3 Identification of Training Needs

(a) The Director, Deputy Director and Division Heads are responsible for determining at least annually organizational and individual training needs.

(b) Individual training needs are best determined in conjunction with the performance appraisal cycle.

(c) The Individual Development Plan (IDP), required for personnel in the Cost Analysis Intern Program (CAIP), will be the instrument used by Division Heads to develop and plan the individual training and career development needs for all NCCA personnel. An example of the IDP is found as Appendix 3.2.

(d) The CAIP Program Officer will develop and monitor the training and career develop plan for all CAIP interns.

303.4 Training Priorities

(a) Priority One - Essential. Training required during the forthcoming annual training cycle considered essential to mission accomplishment; training needed to ensure attainment of performance objectives or to correct serious performance deficiencies; mandatory training; and, training required by law, regulation, or high authority.

(b) Priority Two - Needed. Training which if omitted might impact adversely on complete and qualitative mission accomplishment during the next two or three fiscal years (e.g., training to provide for the systematic replacement of skilled employees).

(c) Priority Three - Useful. Training of a broadening nature that might be helpful in enhancing the overall performance levels of employees already considered to be competent.

303.5 Required Department of the Navy Training. As per reference (f), the DoN required the following general and specialized training for all civilian employees.

(a) General. All Civilian employees must receive training in the following areas:

(1) New Employee Orientation

(2) Security

(3) Health and Safety

(4) Civilian Employee Assistance Program. This training should also include information on drug and alcohol abuse.

(5) Integrity and Efficiency Training

(6) Internal Control Training

(b) Specialized. Training is required for civilian and military employees having specific responsibilities in the following areas.

(1) Supervisory Training. All new supervisors should receive this training during their probationary period.

(2) Executive and Management Development. The focus of this training is on the development of managers, candidates, and executives.

(3) Performance Management and Recognition System

(4) Career Program Training. NCCA personnel whose career program designation is Engineers and Scientists are required to receive specialized training.

303.6 Off - Duty Education Opportunities

(a) The specific and in-depth analytical skills required by NCCA employees cannot always be met by available on-duty training opportunities and must be developed through off-duty higher education. NCCA fully supports off-duty education in subjects that are directly related to job requirements.

(b) NCCA will reimburse, to the greatest extent possible, the cost of off-duty expenses.

(c) Beneficial off-duty training should be considered by the employee and supervisor during the development of the annual IDP.

303.7 Policy

(a) The Individual Development Plan (IDP) provides the framework from which the supervisor can develop an annual training plan for each employee to strengthen and improve employee performance. The IDP is a management tool and should include both on-duty and off-duty training courses.

(b) Each employee, civilian and military, shall submit by 1 July of each year a draft IDP to his/her supervisor. Supervisors shall review each IDP to ensure requested training is applicable to job requirements. Supervisors should discuss with each employee the training objectives expected to be met from each requested course.

(c) Supervisors shall develop a division-training plan and submit this plan to the Deputy Director by 15 July. Supervisors shall bear in mind fiscal constraints when developing the division plan.

(d) Off-duty education will be funded to the maximum extent possible based on funding availability. Funding availability is subject to change from year to year. Only course work that is directly applicable to the duties and responsibilities required on the job will be considered for reimbursement.

(e) The Deputy Director will convene a meeting of Division Heads by the end of July of each year to develop a command training plan. This plan will provide the framework for all training requests submitted during the course of the year.

(f) Approval of funded training will be determined based upon the command training plan and funding availability.

304 Compressed Work Schedule

304.1 Purpose. To provide uniform policy and procedures for administration of a Compressed Work Schedule (CWS) program for civilian and military personnel assigned to NCCA.

304.2 Background. The Federal Employees Flexible and Compressed Work Schedule Act of 1978 suspended for three years certain overtime provisions of reference (h) in order to permit experimenting with a wide range of flexible and compressed work schedules in Federal agencies. Subsequent laws extended the provision through December 1985. Results of the experiment indicated that the use of flexible and compressed work schedules have the potential to improve productivity in the Federal government while continuing to provide effective service to the public. Accordingly, Congress passed and the President signed reference (i), giving Federal agencies authority to set Alternate Work Schedules (AWS) on a permanent basis.

304.3 Authority. Under the authority provided by references (j) and (k), Director, NCCA has established a CWS program for NCCA personnel on a voluntary basis.

304.4 Policy.

(a) A CWS program will be offered as a privilege to full-time civilian and military personnel assigned to NCCA.

(b) The objective in adopting a CWS program is to provide management the opportunity to improve the efficiency and productivity of operations while enhancing personnel recruitment and retention, and to allow employees the opportunity to improve their job satisfaction and condition of employment while fully supporting mission accomplishment.

(c) The opportunity of participating in the CWS program will be extended to full-time civilian and military personnel on a voluntary basis. No individual will be required to participate in the CWS program. Individuals who elect not to participate in the CWS program will remain on the basic 40-hour five-day workweek.

(d) An employee may participate in the CWS program provided that his or her participation does not interfere either with effective mission accomplishment or the employee's performance of officially assigned duties. Every effort will be made to comply with an employee's choice of work schedule option; however, supervisors retain the right to establish and adjust work schedules in order to avoid adverse impact on daily operations.

(e) First level supervisors of record, and others serving as certifying official that remain responsible for monitoring time and attendance for their employees, including those schedules fall in whole or in part outside the certifying official's work schedule. This responsibility includes establishing procedures as necessary to ensure accurate time and attendance reporting.

304.5 Definitions

(a) Basic Workweek. An approved 40-hour workweek consisting of five 8-1/2 hour workdays (includes a one-half hour lunch break).

(b) Full-Time Employee. An employee who has a set 80-hour work requirement per biweekly pay period.

(c) Part-Time Employee. An employee who has a set work requirement that is less than 80 hours per biweekly pay period.

(d) Compressed Work Schedule (CWS). A biweekly work period, which consists of eight 9-1/2 hour workdays (includes a one-half hour lunch break), one 8-1/2 hour workday (includes a one-half hour lunch break), and one "day off".

(e) Core Day. The designated portion of each week when all personnel must be either on duty or on leave. NCCA's core days are Tuesday, Wednesday, and Thursday.

(f) Lunch Break. An employee must take the half-hour lunch break during the workday. The lunch break will not be taken at the beginning or end of the workday to allow an employee to arrive late or leave early without charging leave. With the approval of their supervisor, employees may elect to schedule a lunch break which exceeds one-half hour by suitably adjusting start and /or stop times to ensure that required work hours are accounted for.

(g) Work Schedule Request Form (WSRF). The WSRF, Appendix 3.3, will be utilized to record the decision of NCCA employees regarding participation in the CWS program.

(h) Master Work Schedule (MWS). The MWS is a comprehensive listing of the work schedules established within each division for each military and civilian employee. Appendix 3.4 provides the MWS Form.

(i) Work Schedule Manager (WSM). That official, usually but not necessarily an employee's supervisor, charged with first level responsibility for the execution of the CWS program.

304.6 Responsibilities

(a) Deputy Director, NCCA will:

(1) Coordinate and monitor the CWS program.

(2) Appraise the organizational effectiveness of the NCCA CWS program, report the results, and make recommendations to the Director.

(b) Head of Cost Research/Business Operations will:

(1) Provide procedural guidance and training to division heads, other certifying officials, and timekeepers in order to implement and management the CWS program.

(2) Provide CWS information to NCCA personnel.

(3) Maintain a master file of MWSs for all NCCA personnel.

(4) Serve as WSM for all secretarial personnel.

(c) Division Heads will:

(1) Serve as MWS for their respective divisions.

(2) Ensure mission accomplishment through establishment of an efficient and equitable MWS within their division.

(3) Ensure the Head of Cost Research/Business Operations has a current copy of their divisional MWS.

(4) Ensure that all division personnel become aware of and comply with provisions of this instruction.

(5) Ensure that attendance and leave are approved, recorded, and reported in accordance with the provisions of this notice and reference (l).

(d) Timekeepers will:

(1) Ensure that daily recording and reporting of employee time and attendance are completed in accordance with reference (l).

(2) Maintain a current file to include Appendices 3.3 and 3.4 and provide personnel with WSRFs and copies of this notice.

(e) Employees will:

(1) Comply with the provisions of this notice.

304.7 Procedures

(a) Employees choosing to participate in the CWS program will work an 80-hour biweekly period, compressed into nine days, in accordance with one of the four schedules listed below. The biweekly work period will consist of eight 9-1/2 hour workdays (including a one-half hour lunch break), one 8-1/2 hour

workday (including a one-half hour lunch break), and one "day off" to complete the basic work requirement of 80 hours for a biweekly pay period. The 8-1/2 hour workday will be scheduled on the same day as the "day off" in the alternate week. For example, if an employee is in Group One (first Monday off), then the employee's 8-1/2 workday will be on the following Monday. The "day off" cannot be changed from pay period to pay period unless the supervisor approves the request, in unusual cases, at least one pay period in advance. "Core days" are excluded from being a "day off," except as noted at sub-paragraph 304.8 below. The following options under the CWS program apply:

TABLE I

WEEK		S	M	T	W	TH	F	SAT		TOTAL
1		X	OFF	9	9	9	9	X		36
2		X	8	9	9	9	9	X		44
	TOTAL								80 HOURS	

GROUP ONE - FIRST MONDAY OFF

TABLE II

WEEK		S	M	T	W	TH	F	SAT		TOTAL
1		X	8	9	9	9	9	X		44
2		X	OFF	9	9	9	9	X		36
	TOTAL								80 HOURS	

GROUP TWO - SECOND MONDAY OFF

TABLE III

WEEK		S	M	T	W	TH	F	SAT		TOTAL
1		X	9	9	9	9	OFF	X		36
2		X	9	9	9	9	8	X		44
	TOTAL								80 HOURS	

GROUP THREE - FIRST FRIDAY OFF

TABLE IV

WEEK		S	M	T	W	TH	F	SAT		TOTAL
1		X	9	9	9	9	8	X		44
2		X	9	9	9	9	OFF	X		36
	TOTAL								80 HOURS	

GROUP FOUR - SECOND FRIDAY OFF

(b) First level supervisors will ensure that personnel under their supervision who participate in the CWS program are, to the greatest extent possible, equitably distributed among the four work schedule options delineated in sub-paragraph 304.7a.

(c) The following work hour options have been established under the CWS program. Employees who prefer to work hours other than those shown below, e.g., from 7:15 am to 4:45 pm, or who wish to accommodate a lunch hour in excess of one-half hour, may do so with approval from their supervisor, provided that their workday includes the appropriate number of hours

9-1/2 hour day
(Includes one-half hour
lunch break)

6:30 am to 4:00 pm
7:00 am to 4:30 pm
7:30 am to 5:00 pm
8:00 am to 5:30 pm
8:30 am to 6:00 pm

8-1/2-hour day
(Includes one-half hour
lunch break)

6:30 am to 3:00 pm
7:00 am to 3:30 pm
7:30 am to 4:00 pm
8:00 am to 4:30 pm
8:30 am to 5:00 pm

(d) Full-time civilian and military personnel shall complete and submit a WSRF, Appendix 3.3, to their WSM.

(e) WSMs shall either approve or disapprove each work schedule request and notify employees of action taken. Where requested participation in the CWS program is denied, the individual will be notified in writing with a copy to the Deputy Director.

(f) When temporary changes to an employee's work schedule are necessary, WSM shall revise the employee's work schedule by annotating the MWS and notifying the employee in writing, with a copy to the Head of Cost Research/Business Operations and the timekeeper. A revised Appendix 3.3 should be used when an employee desires a CWS modification. Appendix 3.4 should be used in situations where an employee on CWS is directed to revert to the basic workweek for a full pay period.

304.8 Administrative Procedures

(a) Timekeepers/Alternates. Detailed guidance and procedures for administration of the timekeeping function are provided in Chapter 8 of this manual and reference (1). Timekeepers or alternates will maintain a MWS, including work times for each employee. For timekeeping purposes, the timecard must annotate the 9-hour workdays and the 8-hour workday. The letters "CWS" must be written in the "Tour of Duty" section of the timecard.

(b) Annual and Sick Leave. The policies and procedures for requesting leave remain the same except the amount of leave taken for an entire day will be recorded as eight hours for the 8-hour workday or nine hours for the 9- hour workdays.

(c) Holidays

(1) The number of hours credited for a full day of work on a holiday will be determined by the employee's compressed work schedule. An employee scheduled to work eight hours on the day a holiday falls will work and receive credit for eight hours of holiday pay. An employee scheduled to work nine hours on the day a holiday falls will work and receive credit for nine hours of holiday pay. Less than a full day's work will be credited on an hourly basis.

(2) When a Federal holiday falls on a "day off," the following rules apply in designating the workday off in lieu of the holiday:

(a) Employees with a scheduled non-workday on Friday will receive the preceding Thursday off in lieu of the Federal holiday.

(b) Employees with a scheduled non-workday on Monday will receive the following Tuesday off in lieu of the Federal holiday.

(d) Excused Absences. Occasionally, excused absence from duty is administratively authorized for groups of Federal employees without loss of pay and without charge to leave, e.g., whenever OPM dismisses Federal agencies because of inclement weather. If such absence is authorized for an employee's

group during an employee's CWS "day off," the employee will not be given equivalent time off at a later date.

(e) Court Leave. Supervisors will determine on a case-by-case basis whether an employee will remain on CWS or convert to the basic workweek while on court leave. The following guidelines shall apply:

(1) An employee who is under summons from a court to serve on a jury will be placed on the basic workweek and will continue to work that schedule for the entire pay period.

(2) An employee who is summoned as a witness in a judicial proceeding to testify in a non-official capacity may continue to work his or her CWS.

(f) Military Leave. An employee who is a member of the National Guard or Armed Forces Reserve must convert to the basic workweek for the pay period(s) while on military leave.

(g) Travel and Training. Supervisors will determine on a case-by-case basis whether an employee will remain on CWS or convert to the basic workweek while on TDY or training status. The following guidelines shall apply:

(1) Employees in a training status will be placed on the basic workweek and will continue to work that schedule for the entire pay period in which the training occurs, unless the employee returns to his or her job site after each day's session to continue working his or her CWS hours; however, if that on-site training includes their regular day off, they must always be placed on the basic workweek and must continue on the basic workweek schedule for the entire pay period.

(2) Employees in a TDY status who cannot work their established CWS schedule, or if the TDY includes their regular day off, must be placed on the basic workweek and must continue to work that schedule for the entire pay period in which the TDY occurs.

(h) Overtime. Work performed outside the employee's CWS hours and in excess of 80 hours in a biweekly pay period is overtime work. The employee is entitled to compensatory time or overtime pay, as appropriate. For example, employees who must work on their regular day off (Monday or Friday) will receive compensatory time or overtime pay, as appropriate, for hours worked on that day. Compensatory time off will be approved by the WSM, and should be scheduled, as soon after the incurred overtime as mission requirements will permit.

304.9 Individual Responsibility. The CWS allows each individual an increased measure of personal control over working hours. This privilege is accompanied by a commensurately higher degree of responsibility. Maximum cooperation between employees and supervisors must be exhibited to ensure that CWS is an effective and beneficial program both for the Center and for the employee.

304.10 Abuse. Any employee failing to comply with the letter and spirit of the CWS program, or abusing CWS privileges, will be removed from the CWS program and subject to further action as appropriate.

304.11 Action. All NCCA personnel participating in the CWS program will comply with the policies and procedures contained in this notice.

305 Personnel Recruitment

305.2 Reference. Recruitment of personnel within NCCA is the responsibility of the Deputy Director, with the assistance of each Division Head. There is no one directive outlining recruiting procedures; however, the Federal Personnel Manual does provide guidance and policy regarding civilian personnel management programs, procedures, and responsibilities.

305.2 Policy

(a) The Deputy Director or his designee, is responsible for the establishment of the need for civilian positions and the preparation of supporting documentation.

(b) Based upon the approved civilian billets, the Deputy Director will initiate a personnel request to FMA for the preparation of the necessary SF-52, Request for Personnel Action, to recruit at a specific grade level and series.

(c) FMA provides the necessary staffing and recruitment support services via the local Civilian Personnel Office to obtain the best-qualified candidates on behalf of NCCA.

(d) Upon receipt of the candidates' applications, The Deputy Director may convene a panel of individuals of similar qualifications, but of equal or higher grade, to rank the candidates.

(e) Based upon the ranking, the Deputy Director will select the most highly qualified candidate for employment within NCCA. FMA will prepare the necessary paper work to bring the selected candidate on board, including the processing of the proper security clearance and badging.

306 Timecard Management

306.1 Reference. Reference (m) establishes policy to the effect that maintenance and certification timecards will be accomplished at the lowest supervisory level consistent with good administration.

306.2 Certifying Officials

(a) In keeping with established requirements, NCCA personnel timecards will be certified by immediate supervisors in the supervisory chain-of-command. Situations should be avoided in which an individual in his or her own timekeeper. The following certifying officials are designated:

(1) Director. Certifying official for timecard management of Deputy Director. Timekeeper will be the Head of Cost Research/Business Operations.

(2) Deputy Director. Certifying official for timecard management of Division Heads.

(3) Division Heads. Certifying officials for timecard management of assigned personnel.

(b) The timekeeper for the Director and Deputy Director will be the Administrative Officer. The timekeepers for Divisions Heads and analysts will be the Command Secretary.

(c) In the absence of a regular certifying official, any other designated certifying official at a comparable or high supervisory level within NCCA may serve as an alternate for purposes of certifying and signing timecards. The Director and Deputy Director are designated certifying officials for overtime and compensatory time. In their absence, the Head of Cost Research/Business Operations is the designated alternate.

306.3 Procedures

(a) The Head of Cost Research/Business Operations will distribute timecards to timekeepers at the beginning of each pay period.

(b) The Head of Cost Research/Business Operations will be in charge of conducting appropriate training for timekeepers and certifying officials.

307 Overtime/Compensatory Time

307.1 Reference. Overtime and compensatory time within NCCA are governed by rules established by reference (m).

307.2 Definitions

(a) Overtime. Authorized work time, in excess of either the established workday or workweek, for which extra pay is received.

(b) Compensatory Time. Authorized work time, in excess of the established workday or workweek, for which no pay is received.

(c) Compensatory Time Off. Time equal to compensatory time worked which is credited to a leave-type account for the employee's future use.

307.3 Policy

(a) Compensatory time in preference to overtime will be utilized to accomplish necessary work, which cannot be completed during either the established workday or workweek. Compensatory time may be authorized by supervisors; overtime must be authorized by the Deputy Director.

(b) Compensatory time off must be granted within a reasonable time after compensatory time is worked, ordinarily within 30 days. Should compensatory time off not be granted within 30 days, the supervisor authorizing compensatory time will advise the Deputy Director of the plan for granting compensatory time off.

(c) Accumulation of compensatory time will be kept to a minimum, consistent with the accomplishment of NCCA's mission.

(d) Compensatory time off will be granted before annual leave is approved, except when annual leave would otherwise be forfeited.

(e) The date of an employee's transfer from NCCA or separation from federal service will be fixed, whenever possible, to allow the use of any accrued compensatory time off prior to transfer or separation.

308 Telephone Usage

308.1 Reference. Guidelines have been established for the use of DoD telephones by DoD employees while at their normal duty station locations.

308.3 Policy

(a) The use of DoD telephone systems (including calls over commercial systems, which will be paid for by the Government), except as provided in paragraph 308.3b below, shall be limited to the conduct of official business. Such official business calls may include emergency calls and calls that are necessary in the interest of Government.

(b) Personal calls (such as calls to speak to spouse/minor children or to arrange for emergency repairs to residence or automobile) that must be made during the working hours over the commercial local/long distance network may properly be authorized as being in the best interest of the government if the call is consistent with the following criteria:

(1) The use of the phone for personal reasons does not adversely affect the performance of official duties by the employee or the employee's organization.

(2) Personal phone calls are of reasonable duration and frequency.

(3) The phone call could not reasonably have been made at another time.

(c) In the case of long distance phone calls which are not considered to be in the best interest of the government and are placed from DoD owned telephones, the following criteria applies:

(1) The phone call will be charged to the employee's home telephone number or other non-government number (third number call).

(2) The phone call is made to an 800 toll-free number.

(3) The phone call is charged to a personal telephone credit card.

308.4 Procedures

(a) Division Heads will be responsible for reviewing and resolving the monthly phone report and will ensure that all long distance calls recorded on the report fall within the established guidelines for use of DoD telephone systems.

(b) To assist Division Heads in the resolution of the phone report, Division Heads will maintain a log of all commercial long distance calls placed by respective employees.

(c) Personnel will be responsible for reimbursing the government for all unauthorized commercial long distance telephone calls. Frequent disregard of the guidelines as established for the use of DoD telephone services can result in disciplinary action.

309 Flexi-place/Telecommuting

309.1 Policy. Consistent with GSA and OPM guidelines, NCCA promotes a carefully conducted program, which allows certain employees the opportunity to perform work from an established telecommuting center, or from home. This program responds to concerns of environment, economics and quality of life, and if executed properly, provides substantial benefits both to the NCCA employee and the organization. While telecommuting may be advantageous to some, in most cases participating in this program will not be appropriate, and will be the exception to the rule. Even where applied, participants are required to accommodate normal activities where presence is required.

309.2 Guidelines. The following guidelines will be followed in considering whether the program is appropriate in individual cases:

(a) Participation must be voluntary, normally limited to one day per week, and will apply where a lengthy commute or emergent health problems suggest mutual telecommuting benefits.

(b) Candidates will have performance rating demonstrating reliability and trustworthiness, know how to establish priorities and manage time, and are conscientious in their pursuit of high quality work.

(c) A signed agreement between the candidate and supervisor must detail

(1) The hours and days for telecommuting

(2) The duration of the agreement (to be reviewed at least annually)

(3) The specific product or deliverable to be achieved during telecommuting periods

(4) The worksite, safety environment and assumptions under which the program will be executed

(d) No additional pay or benefit will accrue due to program participation.

(e) Participation may be terminated by either the supervisor or the employee at any time.

(f) GSA guidelines regarding security, use/issue of government equipment, phone charges, operating expenses, and site safety survey will be adhered to.

(g) This program will not be used as a substitute for a Compressed Work Schedule or to alleviate Day Care/Child Care needs, but is only applicable in instances where clear and significant benefits to both the individual and organization are identifiable.

309.3 Authority. The authority to nominate candidates and sign agreements is delegated to Division Head supervisors. The Director will retain final approval authority for all agreements. Copies of approved agreements will be forwarded to FMA.

310 Workplace Conduct

310.1 Policy. NCCA is committed to our core values of honor, courage and commitment, and our policies regarding professional relationships and acceptable conduct are based on these bedrock principles. NCCA's goal is to create and sustain a model equal opportunity climate, and an environment utterly free of any form of harassment or intolerance. The standard is clear -- any form of harassment or discrimination is not only inconsistent with our core values, it also impedes our ability to perform our mission. Accordingly, NCCA maintains a 'zero tolerance' approach to any form of harassment or discrimination, in particular those whose origins are based on race, color, religion, sex, national origin, handicap, or age. These standards are equally applicable to both civilian and military employees. Further, it is the moral responsibility of those who witness or are alerted to harassment/discrimination to take immediate action to interview, stop the activity, and notify the appropriate supervisory personnel. Department and Navy policies regarding 'Don't Ask, Don't Tell' are widely available, strongly supported by NCCA, and will be briefed at least annually to all NCCA staff.

311 Mentor Program

311.1 Scope. NCCA sponsors a Mentor Program and encourages participation. The Mentor Program will be informal and focused on participants' goals vice organization's goals. Participants will choose their own mentors and each mentor must agree to work with the protégé. The participants will define the scope of the relationship. There will be no monitoring from management and relationships will begin and end at the discretion of the participants.

311.2 Definition

(a) Mentoring is the process which links an experienced person with a less experienced person to foster career development and personal growth.

(b) A mentor is an individual who facilitates personal and professional growth in another by sharing the knowledge and insights that have been learned through the years.

(c) A Protégé is a less experienced individual with whom the mentor shares his/her knowledge and insights.

PARS Quick Reference Guide

May/June	Management guidance
June/July	First level supervisor and employee prepare performance plan on OPNAV 12430/10 for rating period, plus the IDP (1 July - 30 June) Second level supervisor reviews, approves or disapproves changes First level supervisor gives approval plan to employee within 30 days of the start of the appraisal period (NLT 1 Aug)
1 July	Beginning of appraisal period
Dec/Jan	Mandatory mid-year review of standards and IDP * First level supervisor conducts mid-year review. Forms signed by both supervisor and employee to note review has been completed. Special reviews conducted when: * Employee or supervisor leaves, * Duties change, or * Poor performance.
Summary rating	When rating period does not allow 90 days under approved PARS plan by 30 September. * Summary rating becomes the final rating, * Form signed and dated by first level supervisor and employee * Second level supervisor initials, * PARO initials.

IDP Quick Reference

(a) The IDP instructions are found in references (e) through (g); however, the following type of information is to be provided on the NCCA form.

- Name
- SSN
- Current position
- Organization
- Development goal/objectives
 - Short term
 - Long term
- Methods of accomplishing goals/objectives
- Other

(b) This document must be prepared by the employee and submitted for approval by the employee and submitted for approval by both first and second level supervisors. It is the first level supervisor's responsibility to ensure that the employee completes an IDP.

From:

To:

Subj: WORK SCHEDULE REQUEST

Complete one

a. Basic Workweek.

I voluntarily request to continue a basic workweek consisting of five 8-1/2 hour workdays (including a one-half hour lunch break). I request my standard work hours to be:

Start time _____

Stop time _____

b. CWS Program.

I voluntary request to participate in the CWS Program, a biweekly work period which consists of eight 9-1/2 hour work days and one 8-1/2 hour workday (including a one-half hour lunch break), and one "day off." I request the (first or second) (Monday or Friday) to be my standard day off during each pay period. I request my standard work hours to be:

Start time _____ Stop time _____ (9-1/2 hour days)

Start time _____ Stop time _____ (8-1/2 hour day)

Employee Signature

=====

From:

To:

Check one

_____ Your work schedule request is approved.

_____ Your work schedule request is modified and approved as follows:

Work Schedule Manager

From:
To:

Subj: ADMINISTRATIVE CWS REVISION

Your participating in the CWS program must be temporarily withdrawn for the pay period beginning _____ through _____ due to the following reason(s):

Check one

_____ Mission Requirement

_____ Travel

_____ Training

_____ Court Leave

_____ Military Leave

_____ Other

Your participation in the CWS program will be reinstated as of _____.

WORK SCHEDULE MANAGER

Copy to:
Deputy Director
Head of Cost Research/Business Operations

CHAPTER 4

CORRESPONDENCE PROCEDURES

401 General Correspondence

401.1 Reference. All NCCA correspondence shall be prepared in accordance with reference (n). In the event that the correspondence is classified, reference (o) will be consulted for proper classification markings and handling procedures.

401.2 Signature Authority

(a) The Director, NCCA is the signature authority for the following:

(1) Correspondence which establishes new policy for NCCA.

(2) Correspondence which is directed to other officials within the DoN at the ASN level or higher.

(3) Correspondence that indicates an official posture, such as assessments provided in support of a Program Decision Meeting (PDM). The execution of contracts and any other correspondence in support of the execution of the NCCA budget.

(4) Head of Cost Research/Business Operations will sign DD Form 1164s (local travel) and invitational orders. Administration/Fiscal Division (FMA) will sign all DD Form 1610s. In the absence of the Head of Cost Research/Business Operations, Division Heads may sign the DD Form 1164. Division heads will sign as the requesting official for travel orders for themselves and their subordinates.

(5) The Division Heads are granted "By direction" signature authority for routine correspondence.

(6) When the Director is either on travel, out of the area or in a leave status, the foregoing Director signature authorities will devolve to the Deputy Director. At such times, the Deputy Director will sign all correspondence as "Acting."

401.3 Serialization Procedures

(a) NCCA external serial numbers are assigned only to official outgoing correspondence, which is signed by the Director or by others within the organization authorized to sign "Acting" or "By direction." NCCA serial numbers are assigned by the NCCA serial log custodian.

401.4 Correspondence Routing. An Outgoing Mail Record form shall be prepared for all official correspondence forwarded to NCCA. The Outgoing Mail Record is an internal routing slip that is retained with the file copy of the correspondence for future reference.

401.5 Correspondence Procedures. NCCA unique correspondence or correspondence commonly produced at NCCA is identified below with specific guidance for purpose, timing, distribution and format.

(a) ACAT IC/IA Memorandum for the Department of the Navy Program Decision Meeting (NPDM) Principals.

(1) Purpose. To provide NPDM principals the results of NCCA independent cost estimates of ACAT IC/IA systems going to milestone decisions or program reviews. This correspondence provides a brief background of the system's history, highlights issue areas,

presents the results of an independent evaluation of the "reasonableness" of the PM's cost estimates and a discussion of the methodology used in the assessment.

(2) Timing. The memorandum will be distributed no later than five working days prior to the NPDM. ASN (FM&C) is offered a briefing on all ACAT IC/IA programs. Division Heads are responsible for scheduling these briefs through NCCA's secretary and placing the briefs on the Director's schedule. Additionally, an informal run-through of the brief should be scheduled with the Deputy Director and Director, no later than one day prior to the brief for the ASN (FM&C).

(3) Distribution. The signed final memorandum is distributed as follows:

To:
ASN (RD&A)

Copy To:
OPNAV Sponsor (N-76, N-77, N-78)
PEO or DRPM
N-8
OPA
COMOPTEVFOR
OASN (RD&A) DASN/Director
N-80
N-81
N-82
OASN (RD&A) Action Officer
Program Manager
Systems Command Cost Office

(4) Format. NPDM memos are signed by the Director or Deputy Director in his absence. They generally follow the standard Navy memorandum format established in Chapter 6, reference (a). All NPDM memos, however, will open with a paragraph stating the purpose of the NPDM, followed by a paragraph defining the background of the program, and close with reasonableness of the Program Manger's (PM's) cost estimates. The composition of the rest of the memorandum will be determined by nature, size, maturity, etc., of the program being reviewed. Appendix 4.1 is the format for preparing an NPDM memorandum.

(b) ACAT ID and ACAT II NPDM Memoranda

(1) Purpose. To provide NPDM principals with the results of NCCA cost analyses of all ACAT ID and high interest ACAT II programs proceeding to NPDM reviews. These assessments are similar in nature to the NPDM memoranda, in that they provide a brief program history, highlight issues, describe the analysis methodology, and assess the PM's cost estimates.

(2) Timing. Same as paragraph 401.5a(2).

(3) Distribution. Same as paragraph 401.5a(3).

(4) Format. Same as paragraph 401.5a(4).

(c) Memorandum for the Record (MFR)

(1) Purpose. MFRs are used to record results of Navy, DoD, or GAO IG meetings or audits, and whenever significant, unusual or non-standard agreements are made between NCCA and other agencies concerning cost assessments or Independent Cost Estimates (ICEs).

(2) Timing. MFRs should be forwarded to the Deputy Director within three working days of the respective event.

(3) Distribution. In the main, distribution of MFRs is internal only. Copies of all MFRs should be provided to the Deputy Director and cognizant division heads.

(4) Format. All MFRs shall have SSIC/date blocks, a title line and a subject line, but thereafter the format of the paper is not rigid (i.e., the writer may use whatever format best suits his/her needs).

(d) Naval Style Letter. This letter is signed by the Director or Deputy Director and is serialized. If it is intended to be signed by the Director, his administrative department will handle signature block requirements and dating of the letter after he has signed. In such cases, the serial log custodian will still provide serial numbers. Division heads should ensure proper formatting and classification in accordance with references (n) and (o).

(e) Official and Informal Business Letters. Chapter 7 of reference (n) provides format guidance for these forms of correspondence. Please pay particular attention to the signature blocks, as that is where most errors appear.

(f) Point Papers. A point paper is written in bullet format. The paper should not exceed one page in length. The purpose of a point paper is to briefly describe and explain an issue and should address the most significant aspects of the issue being addressed.

(g) Documentation. General guidelines for preparing ICE documentation are provided by enclosure (1) of reference (p). As a rule of thumb, documentation should be thorough, clearly written and concise enough that a qualified cost analyst, initially unfamiliar with the subject program, could reconstruct the ICE.

SSIC Number
Ser NCCA-XX/XXX-91
Date

MEMORANDUM FOR THE DEPARTMENT OF THE NAVY PROGRAM DECISION MEETING
(NPDM) PRINCIPALS

Subj: Name of Program Independent Cost Estimate (ICE)

1. Purpose. This section specifies the milestone approval level being sought, a brief description of the acquisition program, and a reference to NCCA's independent cost estimate. NCCA's independent cost estimate will be submitted as enclosure (1).
2. Background. This section specifies the acquisition category of the program and describes why the weapon system is being procured. A description of the program history from the last milestone approval to the present is concisely summarized which includes program expenditures, contract negotiations, Congressional actions concerned with the program, and any other pertinent information concerning the program.
3. Development. Describes the projected costs associated with the research, development, and test and evaluation phases of the acquisition program.
4. Procurement. This section compares the PM's cost estimate to the estimate derived by NCCA. Identify the cost model used by the PM to derive the baseline cost estimate. Explain and describe the significant differences found between the two estimates and specify the actual percentage difference between the two estimates. This section should also include remarks concerning the funding profile of the acquisition program, with specific reference given to any expected shortfalls in the program.
5. Operation and Support (O&S). This section compares the O&S cost estimates by both the PM and NCCA. Once again, any significant differences should be fully described.
6. Summary. If the PM's baseline estimate appears reasonable, this section can consist of a single statement to that effect. If significant differences, justification for disagreement should be described.

Signature block

Distribution

See 401.5 (a) (3)

Appendix 4.1

CHAPTER 5

MANAGEMENT CONTROL

501 Management Control Program

501.1 Purpose. To provide policy for the Naval Center for Cost Analysis Management Control (MC) Program, incorporate guidance with references (q) through (s), and clarify management control and accountability.

501.2 Policy. All DoN components shall maintain effective management control systems. All levels of DoN management shall:

(a) Establish controls consistent with the standard contained in reference (b); and,

(b) Continually monitor and improve the effectiveness of controls chosen to be employed for their programs.

501.3 Definitions. Reference (r) contains the definitions of terms used in the MC program.

501.4 GAO Internal Control Standards. Appendix 5.1 describes GAO general, specific, and audit internal control standards.

501.5 The following responsibilities are assigned:

(a) Director, NCCA shall:

(1) Be responsible for program management and administration.

(2) Prepare and forward the Annual Management Control Certification Statement to the next higher echelon.

(3) Ensure that the Management Control Program is operating in all divisions.

(4) Ensure that all Division Heads are aware of their management control responsibilities.

(5) Assign responsibility for the Management Control Program to an officer. Normally, the duties of Management Control Officer will be assumed by Head of Cost Research/Business Operations.

(b) Management Control Officer shall:

(1) Be a collateral duty of the Head of Cost Research/Business Operations.

(2) Prepare an Annual Management Control Certification Statement and submit it to the Director, NCCA by 1 September.

(3) Provide corrective actions for material weaknesses, if appropriate.

(4) Develop and maintain a follow-up system on all weaknesses under his/her cognizance and monitor the status of corrective actions on an on-going basis, providing status when necessary or as requested by the Director, NCCA.

(5) Prepare and submit a semiannual report on all uncorrected weaknesses.

- (6) Segment the organization into assessable units and maintain an inventory of assessable units by functional category.
 - (7) Conduct a Management Control Review (MCR) or Alternative Management Control Review (AMCR) for each assessable unit every five years.
 - (8) Identify individuals responsible for assessable units.
- (c) Each Division Head shall identify an individual responsible for the assessable unit designated by the MCR officer.
- (d) Each individual responsible for the assessable unit shall:
- (1) Complete the Vulnerability Assessments (VAs).
 - (2) When necessary, submit standard operating procedure (SOP) change transmittals for this manual for the assessable unit to which each individual is assigned.
 - (3) Provide the MCR officer with the VA and SOP.
 - (4) Provide the status, progress, and corrective action taken on material weaknesses previously reported as uncorrected.

GAO Internal Control Standards

1. General Standards

(a) Reasonable Assurance. Control Systems shall provide reasonable, but not absolute, assurance that the objectives of the systems shall be accomplished.

(b) Supportive Attitude. Managers and employees shall maintain and demonstrate a positive supportive attitude toward controls at all times.

(c) Competent Personnel. Managers and employees shall have personal and professional integrity, shall maintain their assigned duties and understand the importance of developing and implementing good controls.

(d) Control Objectives. Control objectives shall be identified or developed for each activity and shall be logical, applicable and complete.

(e) Control Techniques. Control techniques shall be effective and efficient in accomplishing their control objectives.

2. Specific Standards.

(a) Documentation. Control systems and all transactions and other significant events shall be clearly documented. The documentation shall be readily available for examination.

(b) Recording of transactions and Events. Transactions and other significant events shall be authorized and executed only by persons acting within the scope of their authority.

(c) Execution of Transactions and Events. Transactions and other significant events shall be authorized and executed only by persons acting within the scope of their authority.

(d) Separation of Duties. Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions shall be separated among individuals.

(e) Supervision. Qualified and continuous supervision shall be provided to ensure that control objectives are achieved.

(f) Access to and Accountability for Resources. Access to resources and records shall be limited to authorized individuals, and accountability for the custody and use of resources shall be assigned and maintained. Periodic comparison shall be made between the resources and the recorded accountability to determine whether the two agree. The frequency of the comparison shall be a function of the vulnerability of the asset.

3. Audit Resolution Standard. To accomplish prompt resolution of audit finding, managers shall:

(a) Promptly evaluate findings and recommendations reported by auditors.

(b) Determine proper actions in response to audit findings and recommendations.

(c) Complete, within established time frames, all actions that correct or otherwise resolve the matters brought to management's attention.

CHAPTER 6

BUDGET ADMINISTRATION

601 Budget Formulation and Planning

601.1 Purpose. To provide detailed guidance for the preparation and submission of budget documents for the planning and execution of the NCCA budget and to supplement the procedures as set forth in references (t) through (v).

601.2 Definition

(a) A budget is a document which expresses in financial terms the plan for accomplishing an organization's objectives for a specified period of time. A budget serves as a statement of priorities and is an instrument of planning, decision-making, and management control.

601.3 Budget Formulation

(a) The Planning, Programming and Budgeting System (PPBS) is the process used by the DoD for formulation of the budget. The PPBS operates on a biennial basis in which the Planning and Programming phases occur over a two-year period. The budgeting phase at the end of the cycle encompasses the simultaneous development of estimates for two succeeding budget years. The Five-Year Defense Program (FYDP) is now a six-year program and is referred to as the Defense Program.

(b) The DoN PPBS must operate within the guidelines of both the Federal Budget Process and the DoD PPBS. The DoN budget process consists of four phases. The first is the submission of budget estimates to the Comptroller of the Navy (NAVCOMPT) by all Navy offices for review and final approval by SECNAV. The second phase is the submission of budget estimates by the DoN to OSD and OMB for review and final approval by the SECDEF and the President. The third phase is the submission of budget estimates by the President to the Congress for its review and approval. The final phase is the enactment of appropriations by the DoN. The DoN budget is developed for each of these phases, but the organizational responsibilities and control vary with each phase.

(c) The DoN has the basic policy that the offices which are responsible for executing budgets shall participate in developing budget estimates during every phase, subject to the guidance and decisions of higher authority. NCCA participates in all four phases of the PPBS process and is responsible for the submission of budget documents to support the budget program.

601.4 Organizational Relationships

(a) The designated NCCA Fiscal Officer (usually the Head of Cost Research/Business Operations) will serve as Special Assistant to the Deputy Director for the formulation and execution of all budget matters. The Fiscal Officer is responsible for all aspects of NCCA fiscal management including the accurate preparation and submission of all budget documents to higher authority on a timely basis and the monitoring of all incurred obligations to ensure proper utilization of funds.

(b) The NAVCOMPT Fiscal/Administration Division (FMA) provides fiscal support to NCCA. All NCCA budget documents and budget expenditures are processed by FMA. The FMA is responsible for the preparation and forwarding of the monthly estimates audit trail for the reconciliation of all NCCA accounts. In addition, it serves as the principal advisor to NCCA in matters relating to the preparation and submission of budget documents to the Major Claimant.

(c) All funds allocated to NCCA are Operation & Maintenance, Navy (O&M, N) appropriations. The Major Claimant for O&M, N appropriations for NCCA is the Assistant for Administration, Under Secretary of the Navy (AA/USN). As the Major Claimant, AA/USN is the Budget Submitting Office to

NAVCOMPT and is responsible for the preparation and submission of specific O&M, N budget estimates and supporting exhibits and materials. In accordance with the guidance contained in references (t) through (v), AA/USN forwards an Assistant for Administration Memorandum to NCCA describing the submission requirements for each phase of the PPBS.

601.5 Budget Formulation and Planning Documents

(a) The NCCA Budget Controls Summary is the document that outlines budget controls for each account maintained by NCCA. This document summarizes the budget controls for NCCA during the entire Defense Program cycle. During each PPBS phase, the Budget Controls Summary changes to meet budget constraints. Initial preparation of the Budget Controls Summary is performed by FMA and forwarded to NCCA for account mark-ups. Mark-ups are based on in-house requirements or mandated adjustments from higher authority. The Budget Controls Summary provides an overview of account funding projections and should serve as a document to predict future shortfalls or overage in a NCCA program.

(b) The OP-32 Inflation Exhibit describes the program totals, price growth, and program growth for each object class as the program is funded between fiscal years. The OP-32 numbers are generated based on the changes made by NCCA to the Budget Controls Summary in each program. AA/USN is responsible for the preparation of the OP-32 Exhibit. The program total is the amount allocated to the account in a given fiscal year; the price growth is the amount added to the account as a result of inflation predictions; and the program growth is the difference in the program total from the past fiscal year program total.

(c) During each budget submission phase, NCCA is responsible for preparing and submitting inputs to the FMA for the preparation of the Operations and Maintenance, Navy (O&M, N) OP-5 Budget Exhibition. The OP-5 Exhibit is derived from the budget information obtained for the OP-32 Exhibit and provides detailed financial information for O&M, N appropriations. This exhibit is a six-part document, which includes:

- (1) A detailed description of the operations financed for NCCA through O&M, N appropriations.
- (2) A financial summary of the current year and budget year totals, which includes a reconciliation of increases and decreases for each object class.
- (3) The performance criteria and evaluation to justify the budget request.
- (4) A summary of military and civilian personnel end-strength and a reconciliation of increases and decreases.
- (5) A summary of out year funding data.
- (6) A reconciliation of budget to current estimate.

(d) The PB-27 Budget Exhibit serves as a source document from which total Contracted Advisory and Assistance Services (CAAS) are derived and reported to Congress. The NCCA Contract Studies account is one such account that falls within the guidelines of CAAS reporting. Many CAAS accounts are "capped" accounts, in that the obligations cannot exceed the amount of the budget control. The PB-27 Budget Exhibit describes the contract services being funded in this program. Congressional interest in CAAS funding levels necessitates detailed justification to NAVCOMPT for the use of contract services.

(e) The Monthly Obligation Phasing Plan is developed for each budget execution year and describes the monthly estimate of the rate of obligations for the next fiscal year. The planned obligations for every account are time-phased throughout the fiscal year in this plan. The phasing plan serves initially as a budget-planning guide and subsequently as a monitoring instrument and an execution guide to ensure that funds are obligated at a reasonable rate throughout the year. The plan is submitted to the Major

Claimant during phase one of the budget submission process to be included in the DoN documents submitted to NAVCOMPT. This phasing plan is closely reviewed by NAVCOMPT during the Mid-year Budget Review of the current budget year to evaluate a budget activity's funding requirements.

602 Training

602.1 Planning

(a) Division Heads will submit to the Deputy Director by 15 July a training plan for their respective divisions based on the IDP's of each employee under their cognizance.

(b) Division training plans shall be developed with an emphasis on what is fiscally possible and conform to the annual allocated budget control for training.

(c) Appendix 6.1 is submitted for any training requests.

602.2 Execution

(a) The NCCA Fiscal Officer will develop a training-funding plan.

(b) The NCCA Fiscal Officer will monitor available funds for training and will submit any necessary unfunded requirement budget documents whenever the funds available for training fall short of the expenditure target.

(c) Request for training shall be submitted using the procedures as outline in Section 604 of this chapter.

603 Travel Management

603.1 Purpose

(a) Government travel is closely scrutinized by Congress and the public as being highly suspect and susceptible to fraud, waste, and abuse. DoN has placed greater emphasis on establishing, reviewing, and modifying travel management policies and procedures at all levels in order to assure currency, completeness, and effectiveness of all official travel.

(b) The Joint Travel Regulation, Volume 2 and 2 (JTR), reference (w), is the primary guidance used by NCCA for travel management. This instruction provides guidance for the administration (approval, order writing, payment, and accounting) of official travel.

603.2 Policy

(a) Travel claims must be filed within five working days of a traveler's return. Failure to do so may result in deduction of all travel advances received on those orders from your pay or denial of future advances for subsequent travel.

(b) NCCA has established the following priorities for approval for official travel:

(1) Priority One. The Department of Defense Cost Analysis Symposium (DODCAS) will be fully supported for all analysts.

(2) Priority Two. Travel in direct support of ongoing cost estimates. This category does have its limits, particularly in the number of trips NCCA can afford in support of other-service briefings or other-service-lead joint programs.

(3) Priority Three. Travel for familiarization. This includes trips to contractors for purposes of gathering generalized cost estimating data and related information.

(4) Priority Four. Other professional conferences. While no hard and fast rules apply, guidelines are as follows: (a) preference is given to officers of local chapters; (b) attendance at more than one professional conference annually, other than DODCAS, is by exception only; (c) exceptional consideration will be given in cases where day travel (POV, no motel) is requested.

(5) Priority Five. Other. One consideration in this category concerns conference fees. These must be paid out of our training budget, which is somewhat more restricted than our travel budget.

603.3 Procedures

(a) The NCCA Fiscal Officer will monitor all travel funds and will oversee the travel management program. Emergent travel requests will be approved on a case-by-case basis.

(b) NCCA Administration supervises the travel management program. A secretary is designated to assist as Travel Clerk. Each designated Travel Clerk will be responsible for following the procedures set forth in this instruction.

(c) The "Request for Travel" form, Appendix 6.2, will be used by all military and civilian employees to request travel. After being approved by the appropriate division head, the form is sent to the Travel Clerk for computation of funding requirements. The Travel Clerk prepares the cost estimates for the request by using directives from references (w), (x), and (y).

(d) All requests for travel should be submitted 10 days prior to the requested travel date. The form is then routed through the NCCA Fiscal Officer for budget analysis and review and finally the Deputy Director for approval and signature.

(e) After the NCCA Request for Travel form is approved, the Travel Clerk will prepare the Official DoD travel request, DD Form 1610. Before this form can be routed, the clerk must ensure that the traveler has filed claims for any past travel advances. If claims are not filed by the traveler within the five day limit, then no advances may be requested on subsequent travel orders until all past claims are filed. Once the Travel Clerk completes the form, it will be routed as follows:

(1) The NCCA Fiscal Officer will sign the Funds Approval Block, indicating funds are available for travel.

(2) The Deputy Director will sign as Requesting Official.

(3) The FMA will ensure that all necessary accounting data is completed.

(4) After DD Form 1610 is signed by the Director, the Travel Clerk can arrange for all necessary reservations (airline tickets, rental car reservations).

(5) Upon receipt, the orders, tickets, and other pertinent travel information are forwarded to the traveler by the Travel Clerk. At that time, the Travel Clerk should give the traveler a copy of the NCCA memorandum, which provides information on the traveler's responsibilities and penalties for filing fraudulent travel claims, Appendix 6.3. DD Form 1610 certifies that the travel is official and must be kept on hand by the traveler while away from the duty station.

(f) When the member on travel returns from NCCA, a travel claim DD Form 1351-2, must be submitted within five working days of return.

(1) The DD Form 1351-2 will be submitted, along with airline tickets and all necessary receipts to the Travel Clerk. The Travel Clerk files an office copy of the form, tickets, and receipts, sends a copy to FMA, and takes the originals to the Personnel Support Detachment (PSD) Disbursing Officer.

(2) PSD will approve the claim and deposit via electronic transfer any necessary reimbursements.

(3) In cases where the disbursing officer returns a travel claim to NCCA with a request for certification of reasonableness, the Travel Clerk must first inform the traveler of the request. At the traveler's request, the immediate supervisor will meet with the traveler to determine if the questioned expenses are justifiable. If the immediate supervisor of the requesting traveler determines that the claim is justifiable, then a letter of justification of the claim is forwarded to the Deputy Director for approval. Upon approval, the claim with the letter of justification may be resubmitted to PSD.

(4) Once the original forms are obtained by the Travel Clerk, all claim forms are filed in the traveler's personnel file.

(g) In cases where an employee of the office is going on TAD in excess of six months, their travel requests must be accompanied by Permanent Change in Duty Station (PCS)/TAD cost comparison. More frequently, NCCA Permanent Change of Duty Station requests refer to relocating new employees who come on board.

603.4 Cancellation of Approved Travel. When a trip is cancelled, all associated material must be returned to the originating office. All tickets, rental car paperwork, orders, and other material must be returned to the travel office. Any justifiable expenses before the point of cancellation may be turned in on a claim form, DD Form 1351-2.

603.5 Permanent Change of Station (PCS) Procedures

(a) The Consolidated Civilian Personnel Officer (CCPO) is responsible for having new interns, those paid from the Navy Ships Parts Control Center in Mechanicsburg, PA, complete the Requests for Permanent Change in Duty Station, DD Form 1614. For all other NCCA new employees, the Secretariat/Headquarters Civilian Personnel Office (S/HCPO) is responsible for having the new employees complete the DD Form 1614. The responsible party, CCPO, or S/HCPO, sends the form to the NCCA Travel Clerk for processing.

(b) The NCCA Travel Clerk routes DD Form 1614 through the Deputy Director, FMA, and the Director for signatures. Before signing, FMA is responsible for the necessary account data. The NCCA Director sends the form back to the Travel Clerk.

(c) The NCCA Travel Clerk sends the signed DD Form 1614 to the Disbursing office, SATO, PCS Branch for further processing.

(d) The employee must use any monies for relocation expenses only. After completion of the move, the employee must file a claim form, DD Form 1351-2, which states all actual expenditures for the PCS move. Any approved expenditure will be reimbursed.

(e) The employee must provide to the Travel Clerk all copies of required paperwork on the PCS move, including the returned claim form. The Travel Clerk is responsible for making sure a copy of all forms, DD Form 1614 and DD Form 1351, are maintained in the PCS file.

603.6 Responsibility

(a) The NCCA Deputy Director is the approval authority of all official travel requests and will sign DD Form 1610. The criteria for approval are set forth in reference (w) and, more specifically, this instruction.

(b) Approval by the Deputy Director on claim forms is only necessary when disbursing officers return claim forms to NCCA with requests for reasonableness.

(c) The immediate supervisor is responsible for reviewing claims which are returned to NCCA with requests for certification of reasonableness. Upon review, the immediate supervisor, may, if the claim is determined to be justifiable, submit a letter of justification for the claim to the NCCA Deputy Director for approval. Upon its approval, the claim along with the letter of justification may be resubmitted to PSD.

(d) The NCCA Fiscal Officer is responsible for all matters related to funding of the travel management program.

(e) The Head of Cost Research/Business Operations is responsible for supervising the travel management program. The Travel Clerk is responsible for:

(1) Completion of all necessary request forms and for the accurate and timely routing of the forms.

(2) Making all travel arrangements which includes hotel accommodations, ticketing, and rental cars.

(3) The monthly review and validation of travel records at the end of each month. If there are outstanding claim forms that are more than five days delinquent, the Travel Clerk will forward an MFR to the Deputy Director, which states that the individual has an outstanding account. The Deputy Director may then initiate necessary corrective actions. At the Deputy Director's direction, the Travel Clerk may proceed with the corrective actions specified in reference (w).

603.6 **Fraudulent Travel Claims.** NCCA has the right to utilize appropriate disciplinary action for deterring the submission of fraudulent travel claims. Administrative determination of fraud may be accomplished without regard to criminal action. Filing of a fraudulent travel claim is punishable under Title 18, United States Code 287 and appropriate punishments are prescribed in the Uniform Code of Military Justice (UCMJ) and Chapters 751 and 752 of the Federal Personnel Manual (FPM).

604 Budget Execution

604.1 Fixed Account Obligations

(a) NCCA obligates funding for equipment maintenance agreements, communications payments, and civilian personnel pay at fixed intervals. All necessary maintenance agreements on Information Systems (IS) are obligated at the start of the fiscal year. Communications payments are obligated at the start of each quarter. The civilian personnel pay account is obligated monthly based on monthly funding projections.

(b) NCCA may have agreements with computer timesharing services. These services are typically based on usage, but also can be flat fee. The funds required to support timesharing are obligated at the start of the fiscal year.

(c) Contract Services require minimum annual funding. Based on the annual amount of the contract ceiling, NCCA obligates 10 percent of the contract ceiling at the start of the fiscal year.

604.2 Variable Account Obligations

(a) The variable obligations fund NCCA's day-to-day operations. The accounts which comprise this group are Travel, Training, Equipment, Supplies, and Printing.

(b) The annual funds allocated to Travel, Training, Equipment, Supplies, and Printing must meet the operational requirements of all divisions. In August of each year, annual funding requirements for each division will be solicited and an annual plan developed based on the requirements requested. Upon completion of the plan, it will be forwarded to the Director for review and approval. The plan will be updated quarterly to reflect new or emergent requirements.

(c) The NCCA Fiscal Officer and the Director will meet on an as needed basis to review division obligation rates and to review funding requisitions that were submitted during the current quarter month and were unplanned expenditures.

(d) All funding requests will be submitted to the Director by Memorandum via the NCCA Fiscal Officer.

(1) All travel requests shall be submitted using the Request for Travel Form, Appendix 6.2.

(2) All training requests shall be submitted using the Request for Training Form, Appendix 6.1.

(3) Requests for the procurement of supplies and equipment will be requested by memorandum and will include a brief justification for all requisitions that are not routinely stocked office supplies. All requests for the procurement of items that are classified as Information System (IS) or supplies shall adhere to the procedures established for IS acquisition. FMA is responsible for all requisitions for supplies and equipment.

604.3 Responsibilities and Policy

(a) The Director is responsible for the management and utilization of the NCCA funds.

(b) The NCCA Fiscal Officer shall serve as the principal financial advisor to the Director. As such, the Fiscal Officer shall be responsible for the following:

(1) The timely and correct preparation and submission of all required budget documents relating to NCCA budget requirements.

(2) The monitoring and maintenance of the current year budget execution. This will include monthly reconciliation of NCCA expenditures with the NCCA Monthly Estimate Audit prepared by FMA.

(3) The maintenance of all files relating to official budget submissions to high authority to ensure that there is a viable audit trail for future reference.

(4) The timely processing of all funding requests by assigned personnel.

(c) Each Division Head shall be responsible for the preparation and submission of an annual funding requirements plan that will reflect quarterly requirements for the division. The annual plan shall be submitted to the NCCA Fiscal Officer by 15 August. The plan should encompass all training, travel, equipment, supplies and printing requirements for the division.

Date _____

From: _____

To: _____

Via: (1) Division Head
(2) Training Officer

Subj: REQUEST FOR TRAINING

1. Request that the following expenditure of training funds be approved. The following information is provided:

a. Name/SSN _____

b. Job title/Series/Grade _____

c. Name of Supervisor _____

d. Course Title _____

e. Inclusive Dates of Training _____

f. Course Fee _____

g. Name of vendor offering training and complete mailing address: _____

h. Location of actual training if different from above (i.e., seminar offered by George Washington University, but given at Crystal Mall 3) _____

2. Funded by NCCA or outside source. Please specify outside source: _____

3. Justification for training. MUST EXPLAIN IN DETAIL WHY THIS TRAINING WILL BENEFIT NCCA: You may attach a separate page. _____

Approved/Disapproved

Signature
Head of Cost Research/Business Operations

Date _____

From: _____

To: Division Head

Via: (1) NCCA-17

(2) NCCA-1

Subj: Request expenditure of travel funds be approved for the following:

a. Name(s): _____

b. Inclusive dates of travel: _____

c. Destination: _____

d. Purpose: _____

- (1) ___ Site Visit
- (2) ___ Information Meeting
- (3) ___ Training
- (4) ___ Speech/Presentation
- (5) ___ Conference
- (6) ___ Relocation
- (7) ___ Other

e. Objective

(1) System/Project: _____

(2) Brief description of work to be accomplished/data to be gathered: _____

2. Security clearance if needed: See the Security Officer

(1) Point of contact: _____

(2) Phone number: _____ Fax _____

3. Estimated expenses (calculated by the Training Officer): _____

4. Travel is/is not a planned expenditure: _____

5. Funded by: _____

Point of Contact for funding information: _____

Approved/Disapproved

Division Head

MEMORANDUM FOR NCCA PERSONNEL

Subj: Responsibilities of Government Travelers

The purpose of this memorandum is to inform NCCA travelers of their responsibilities during and after their travel assignments. While away from the duty station, the traveler is responsible for:

- Having his/her travel orders, DD Form 1610, at all times
- Knowing and following the government standards of conduct
- Using approved credit cards in a proper manner (as specified in the attachment each applicant receives and signs with the application)

Once the traveler returns from the trip, he/she has five working days from the completion of the travel to submit a claim form for expenses. Failure to do so may result in deduction of all travel advances received on these orders from his/her pay. NCCA uses DD Form 1351-2 to submit claims. The Travel Clerk will provide the forms and any necessary guidance. Filing fraudulent claim forms is punishable under Title 18, United States Code 287 and appropriate punishments are prescribed in the Uniform Code of Military Justice and Chapters 751 and 752 of the Federal Personnel Manual.

Travelers can obtain more information on their responsibilities and penalties for fraud in the Joint Travel Regulations, the Navy Travel Instruction, and the NAVCOMPT Manual.

CHAPTER 7

COST RESEARCH AND CONTRACT ADMINISTRATION

701 Cost Research

701.1 References. Reference (z) directs that the services maintain an integrated cost analysis research program.

701.2 Background

(a) NCCA is the focal point for cost research within the Department of the Navy.

(b) Cost research studies enable NCCA to extend the state-of-the-art in cost analysis. Cost research studies develop and update cost databases and cost models from which NCCA analysts derive cost-estimating relationships (CERs) to conduct cost analyses.

(c) CERs are the basic tools with which cost estimates are generated. It is necessary to continually update historical cost databases, and the CERs derived from these databases, in order to ensure that cost analyses are both accurate and credible.

701.3 Cost Research Plan. The Cost Research/Business Operations Division of NCCA is responsible for developing a comprehensive cost research plan, initiating studies and monitoring the expenditure of funds in the Contract Studies account element. A comprehensive and cohesive plan is essential for utilizing contract study funds and for meeting the NCCA cost research needs.

701.4 Cost Research Plan Development. The Head of the Cost Research/Business Operations Division will coordinate the cost research requirements of all NCCA divisions and identify resources that can be used to address these requirements.

701.5 OSD Cost Research Steering Committee

(a) NCCA is designated as the DoN representative to the OSD Cost Research Steering Committee. The purpose of this committee is to maintain an integrated cost analysis research program, with one of its primary functions the identification to OSD and the DoD Components of efforts needed to improve the technical capability of the DoD to make cost estimates of all major equipment classes.

(b) NCCA is designated as the DoN representative to the OSD Cost Research Working Group to implement the decisions of the OSD Cost Research Steering Committee.

701.6 In-House Research. NCCA Division Heads shall assign research to division staff to perform in-house. Research should address the development of needed cost estimating methodologies and the collection of cost data. In addition, research has the benefit of developing in-house cost estimating expertise. This effort will be reviewed and assessed by the cognizant Division Head, who will keep the Head of the Cost Research/Business Operations Division apprised of the status.

701.7 Cost Research Conducted by Other Activities. The Head of the Cost Research/Business Operations Division will be the liaison with other Navy activities, OSD and the other Services to promote joint cost research efforts and to foster transfer of knowledge resulting from cost research efforts.

701.8 Responsibilities

(a) Director, NCCA is responsible for:

- (1) Approval of the annual NCCA Cost Research Plan
- (2) Approving the allocation of NCCA cost research funds.
- (3) Approval of the completion of all contracted research.

(b) Head, Cost Research/Business Operations Division is responsible for NCCA cost research and will:

- (1) Be the focal point of cost research interaction between NCCA, other Naval activities, OSD and the other Services.
- (2) Serve as the Navy representative to the OSD Cost Research Working Group.
- (3) Maintain a library of technical reports related to cost research, including those funded by NCCA.
- (4) Maintain continuous oversight of all NCCA-sponsored cost research efforts.
- (5) Develop an annual NCCA Cost Research Plan and submit the plan to the Director by 1 July.

(c) NCCA Deputy Director shall:

- (1) Review and recommend the annual NCCA Cost Research Plan for the Director's approval.
- (2) Assess research efforts as scheduled.

(d) NCCA Division Heads shall have the responsibility of:

- (1) Providing annual Division Research Plans for incorporation in the NCCA Research Plan.
- (2) Assigning and assessing all in-house research for his or her division and forwarding a copy of the completed effort for incorporation into the research library.
- (3) Assessing and monitoring the progress of contracted research efforts.
- (4) Developing a statement of work (SOW) and a cost estimate in sufficient detail and accuracy as to require no further rewrite or justification for each in-house research effort and each contracted research effort.

702 Contract Administration

702.1 References. Reference (aa) describes the requirements for designating a Contracting Officer's Representative (COR) and implements reference (bb). Reference (bb) defines the duties, responsibilities and functions of the COR. Reference (cc) implements policy and assigns responsibilities for managing and reporting Contract Support Services. Reference (dd) provides policy and guidance for proper use of contractor personnel. Reference (ee) prescribes standards and rules of conduct and provides guidance on government ethics. Reference (ff) is a reference manual for contracting and COR matters.

702.2 NCCA Contracts. The Head of the Cost Research/Business Operations Division is responsible for developing and implementing contracts to support cost research studies in the commodity areas.

702.3 Parties to the Contracting Process. The following is an explanation of the roles and functions of the parties involved in the contracting process:

(a) Contracting Officer (CO)

(1) The CO for a particular contract is located at the Contracting Office responsible for administering a particular contract. Only COs have authority to enter into, administer, modify, or terminate contracts on behalf of the Government; however, they may bind the Government only to the extent of the authority delegated to them.

(2) COs must ensure that all requirements of law, executive orders, regulations and procedures, including business clearances and approvals, have been met prior to entering into any contract. COs must personally sign all contracts and modifications.

(3) A CO may delegate other Government personnel to act as representatives for functions of a technical nature that do not involve a change in the scope, price, terms or conditions of the contract or task order. One such delegate used for NCCA contracts is the Contracting Officer's Representative (COR).

(b) Contracting Officer's Representative (COR)

(1) The COR holds a unique position in Government contracting, being the sole point of contact for the issuance of technical direction under a specific contract or task order. A COR's primary functions are to regulate, evaluate, and inspect contract work as it progresses, and to recommend final acceptance of completed work.

(2) Performance of these functions has dual responsibilities: first, the COR ensures that technical specifications and plans are met; and second, ensures that the contractor complies with the expressed terms and conditions of the contract.

(3) A COR does not have the authority to take any action, either directly or indirectly that would change the pricing, quantity, quality, place of performance, delivery schedule, or any other terms or conditions of the basic contract. The COR can be held liable for any unauthorized amendments.

702.4 Designation of COR

(a) Selection of the COR should be based on technical familiarity of the contracted support effort.

(b) Prior to being designated a COR, the nominee is required to attend the COR Training Course, or equivalent.

(c) Designation of a COR is necessary when:

(1) Technical direction is necessary under the provision of the required effort.

(2) Task orders are to be used to direct contract performance.

(3) The contract requires unusual or extensive monitoring beyond the capabilities of the CO.

702.5 Training Requirements. Similar COR training may be desirable for other staff members involved with a research effort. At a minimum, the COR should brief the Technical Specialist (TS) and other staff

members, if appropriate, on the contractual process and the responsibility of each person associated with the contract.

702.6 Contract Delivery Order Initiation (T&M, IDQ Contract)

(a) The Division Head requesting contracted support shall:

(1) Prepare a statement of work (SOW) which describes in detail the tasks to be performed by the contractor. The SOW should be specific as to what work is to be performed, the reports and deliverables required from the contractor, and the period of performance for the effort.

(2) Submit the SOW to the Deputy Director for review and approval.

(3) Provide an estimate of the hours required and the desired labor categories for each task in the SOW.

(4) Designate a TS for the effort who will be responsible for providing technical liaison with the contractor when necessary.

(b) The COR is responsible for assembling the delivery order package and for monitoring the effort during the life of the delivery order. This includes:

(1) Development and review of the SOW to ensure that the work being requested is consistent with the nature of the contract and shall ensure that the SOW adequately describes the requested work.

(2) Preparation of the Contract Data Requirements List (CDRL), DD Form 1473, specifying required reports, meetings, and final delivery requirements.

(3) Derivation an independent Government cost estimate for the effort.

(4) Preparation a statement of non-severability with justification when necessary

(5) Preparation the required funding document.

702.7 Delivery Order Package

(a) The delivery order package is assembled by the COR and forwarded to the appropriate. The delivery order package contents include:

(1) A cover letter describing the work requested signed by the Director.

(2) The statement of work.

(3) The funding document, NAVCOMPT Form 2276, to be signed by FMA.

(4) The Contract Deliverable Requirement List (CDRL), DD Form 1423.

(5) A Personal Services Questionnaire to be filled out by the COR.

(6) A non-severability statement, if necessary.

(b) The CO will send a copy of the SOW to the contractor who will submit a cost estimate of the effort to the CO. After the CO signs an agreement, Order for Supplies and Services, DD Form 1155, the contractor may commence work on the tasks.

702.8 Delivery Order Deliverables. Deliverables include items such as briefings, progress reports, invoices, and a final report. Additionally, the format for the deliverables must be specified. All deliverables should be stated in the SOW and listed on the CDRL.

(a) Briefings

(1) If briefings are deemed necessary for monitoring delivery order status, the number and periodicity of briefings should be specified in the CDRL.

(2) At a minimum, a kickoff and final briefing should be scheduled for most efforts. The kickoff briefing should be held as soon as practicable after the start of the contract or delivery order and is intended to provide an overview of the work to be accomplished. Topics to be addressed include the contractor's understanding of the problem, the methodology to be used in accomplishing the project, the program schedule, the personnel who will work on the project, and a list of deliverables. The briefing should be attended by the NCCA Division Head, the COR, the TS and other NCCA personnel invited by the TS or COR. The final briefing should present the results of the contracted effort, along with an assessment of the degree to which the original project objectives were met. If possible, a draft final report should be available for review. A discussion of the problems encountered and how they were handled should be included. The final briefing should be attended by the same personnel who attended the kickoff briefing.

(3) Additional briefings may be scheduled as required to review progress, discuss problem areas, etc.; the list of attendees should be determined by the purpose of the briefing.

(b) Progress Reports. Progress reports will be submitted to the COR and TS in accordance with the CDRL. The type of progress report should also be described, i.e., letter, voice communication, etc. Typically, the progress report should summarize the work accomplished to date, specify the estimated percentage of total work accomplished, discuss problems encountered and recommended corrective action, and state the percentage of total funds expended. The frequency of progress reports and their due dates should be included in the CDRL. The COR and TS will review the reports for satisfactory progress. If progress is considered unsatisfactory, the COR will initiate corrective action.

(c) Invoices. Invoices should be submitted to the COR (usually monthly) by the contractor in order to receive progress payments. The TS and COR will review the invoices to ensure that the labor billed is consistent with the progress to date. The COR will then sign and return them to the designated paying agency. If there are invoice inconsistencies, which cannot be resolved with the contractor, the COR will follow the procedures included in the basic contract.

(d) Contract Project Completion. The project is considered complete after all deliverables, including the final report, have been submitted and approved by the TS, the COR, Deputy Director, and Director, NCCA. A final briefing, if required, will be given by the contractor prior to the completion of the project to summarize the results of the contracted effort; a draft copy of the final report should be available at the briefing.

CHAPTER 8
EQUIPMENT CONTROL

801 ADP Inventory

801.1 References. DoN policy and procedures on ADP Inventory is stated in reference (gg), and DoD policy on inventory management is stated in reference (hh). Reference (ii) and (jj) provide policy and procedure guidance for the Automation Resources Management System (ARMS).

801.2 Background. Effective, economical, and efficient use of ADP resources is essential to supporting DoN missions, functions, and operations. To meet management information requirements NCCA maintains an accurate inventory of ADP resources on hand. This information is collected periodically and used for asset accountability, internal control and for requirements analysis planning.

801.3 External Requirements. On a DoN level, NMCI provides centralized management of all NCCA ADP inventory. NMCI is responsible for coordinating and verifying a yearly ADP inventory of NCCA ADP equipment. NMCI will coordinate all inventory related efforts with the NCCA ISSO (Information System Security Officer).

801.4 Internal NCCA ADP Procedures

(a) NCCA performs an independent internal ADP Inventory procedure for the purpose of providing NCCA managers with an accurate inventory, which may be used for asset accountability, internal control, and for requirements analysis and planning. NCCA goals are in accordance with those specifically stated in reference (gg).

(b) NCCA maintains an inventory log of ADP related equipment. The following information is collected and logged in on each piece of existing equipment (where appropriate).

- (1) Model number
- (2) Serial number
- (3) SECNAV number
- (4) Manufacturer
- (5) Physical location of equipment
- (6) Date of last inventory

(c) The procedure for adding new ADP equipment procured by NCCA is as follows.

(1) The NCCA ISSO will notify NMCI when new equipment is procured by NCCA. All the necessary information will be provided to NMCI for them to properly inventory the equipment.

(2) The NCCA ISSO will enter all of the required information, as listed in the procedures above, into the NCCA inventory log.

(d) The procedure for adding new ADP equipment procured by NMCI is as follows.

- (1) NMCI will coordinate the delivery of all new equipment with the NCCA ISSO.

(2) The NCCA ISSO will enter all of the required information, as listed in the procedures above, into the NCCA inventory log.

(e) The procedure for removing equipment from the NCCA facility is as follows.

(1) Property Passes are issued for each piece of ADP related equipment that leaves the facility.

(2) Only the ISSO or one of the NCCA managers may sign the property passes.

(3) Property passes will be issued for equipment for government related purposes only.

(4) Property Custody Sheets are to be filled out for any take-home government-owned equipment. The following information is to be collected on the custody sheets:

(a) Name

(b) Home phone number

(c) Equipment type

(d) SECNAV barcode number

(e) Serial number

(f) Model Number

(g) Signature of person taking responsibility for equipment

(h) Date that equipment was removed from NCCA

(5) Take-home government-owned equipment remains the property of NCCA and will be returned to NCCA when one of the following occurs.

(a) The individual signing out the equipment no longer has a use for the equipment.

(b) The ISSO or NCCA manager requests that the equipment be returned.

(c) The individual signing out the equipment will no longer be working for NCCA.

(f) The procedure for the deleting of old ADP equipment from the NCCA log is as follows.

(1) The NCCA ISSO will notify NMCI, if appropriate, and provide them with all the information required for the surplus of ADP related equipment.

(2) The NCCA ISSO will keep records of the surplus equipment and remove all entries for the surplus equipment from the NCCA inventory log.

801.5 Responsibility

(a) NMCI is responsible for reporting NCCA ADP inventory up the chain of command to the appropriate parties.

(b) The NCCA ISSO is the designated representative for the execution of the internal ADP Inventory Program, on behalf of the Deputy Director, NCCA. The physical inventory maintenance may be assigned to the designated ISSO, but NMCI will be responsible for the verification and validation of the ADP inventory for the Deputy Director, NCCA.

(c) The NCCA ISSO is the managerial focal point of all security and non-security related ADP issues.

(d) All NCCA personnel are responsible for the proper upkeep of their designated equipment. Maintenance issues or any other issues, which would affect the inventory of ADP, should be immediately reported to the ISSO.

802 Minor property

802.1 References. Internal controls are required for minor property to ensure proper inventory control. NCCA follows certain prescribed procedures to effectively maintain its inventory of minor property. These procedures are outlined in reference (gg). Section 801 above stipulates guidelines concerning inventory control for all ADP equipment including printers and software.

802.2 Purpose. To ensure adequate internal controls are established to safeguard minor property. Adequate internal controls include, but are not limited to, identification, physical inventory, physical security, care and custody of minor property. The procedures prescribed herein provide a method of reporting certain types of equipment referred to as "minor property."

802.3 Definitions. Equipment will be deemed minor property when it meets any of the following characteristics.

(a) Personal Property. Equipment acquired for immediate personal use and having a unit cost between \$300 and \$5,000 or a unit cost over \$5,000 but with a useful life of less than two years.

(b) Classified Equipment. That equipment which required protection and control in the interest of National security.

(c) Sensitive Equipment. Equipment that requires a high degree of protection and control due to statutory, regulatory or mission requirements.

(d) Pilferable Equipment. Equipment that is easily transportable and concealable, having a ready resale value or an application for personal use and is therefore subject to theft.

802.4 Procedures. Internal control will be established as follows.

(a) NCCA will designate an individual as the minor property administrator responsible for maintaining the minor property management system.

(b) NCCA will assign the responsibility of ordering and authorizing the acquisition of minor property to two individuals other than the minor property administrator.

(c) The minor property administrator will maintain a minor property management system. This system will include items such as

- (1) Identification number for non-serialized items
- (2) Description of item by noun name and/or noun modifier
- (3) Model number, serial number, and manufacturer of property

(4) Quantity or item count of property

(5) Location of property

(6) Acquisition cost of property

(7) Date of last minor property inventory

(d) The database of minor property, as a minimum, will include all items of minor property costing \$300 or less than \$5,000. Specifically, this database will include furniture, fixtures, office equipment; all equipment that is classified or sensitive, costing less than \$5,000 and all equipment or items that are pilferable, costing \$100 to less than \$5,000.

(e) A physical inventory will be scheduled and conducted on an annual basis with the minor property administrator responsible for it.

(f) Each employee will be held responsible for minor property assigned to him or her.

(g) Holders of minor property will advise the minor property administrator of all acquisitions, dispositions, and transfers for the recordation in the minor property management system.

(h) In the event minor property is lost or stolen, the minor property administrator and security officer shall be notified. Upon notification the security officer will decide if further actions need to be taken.

CHAPTER 9

SECURITY

901 Command Management. Security program management responsibilities are outlined as follows:

(a) Security Officer. Serves as the advisor and direct representative of the Commander in matters pertaining to the security of classified information and personnel security.

(b) Assistant Security Officer. Serves as the assistant to the Security Officer.

(c) Information Systems Security Officer (ISSO). The ISSO is responsible for the protection of classified and sensitive information being processed in automated systems.

(d) Inspections.

(1) Annual internal inspections will be conducted by the Security Officer to evaluate the effectiveness of the Information and Personnel Security Program at NCCA Headquarters.

(2) Inspectors will examine overall security management and procedures for classification management, accounting and control of classified information, physical protection of classified information, personnel security, and security awareness and education.

(3) The Security Officer/Assistant Security Officer will also conduct unannounced inspections to evaluate compliance and identify weaknesses or deficiencies in the overall security program.

902 Security Education. The Security Officer is responsible for formulating and coordinating a Security Education Program. In addition to rendering assistance and instruction on a case-by-case basis, he/she ensures the briefings described in the paragraph below are scheduled and presented when required.

(a) Briefings. The following briefings are included in the Security Education Program:

(1) Indoctrination. When NCCA is the first active duty assignment for military personnel or the first government appointment for civilian personnel, those personnel will be briefed as outlined in reference (kk).

(2) Orientation Briefing. An orientation briefing is given to all personnel at the time of reporting to ensure that they are aware of the basic requirements for protection of classified information. The Security Officer will brief newly assigned personnel concerning their individual security responsibilities tailored to the particular area to which assigned.

(3) Annual Refresher Briefing. Annual refresher briefings are given to all personnel who have access to classified information. Refresher briefings may be on general security practices, classified management, protection of classified material during work hours, security violations, practices dangerous to security, or any section or chapter of the security regulations contained in reference (kk). Briefings are given once a year and as required. Attendance at these briefings is mandatory.

(4) Counterintelligence Briefing. A counterintelligence briefing will be conducted by the Naval Criminal Investigative Service (NCIS) every 2 years. This is a mandatory briefing for all individuals having access to classified information.

(5) Special Briefings. The Security Officer will provide other special briefings, as needed, such as for foreign travel, courier duties and access to North Atlantic Treaty Organization (NATO), etc. Personnel who have had access to classified material will be debriefed prior to termination of active military service or civilian employment, or upon revocation or withdrawal of security clearance.

903 Management of Classified Material. Basic procedures for accounting, dissemination and transmission of classified material are defined in reference (kk). A copy of reference (kk) is maintained by the Assistant Security Officer. The highest level of classification held by NCCA is Secret. In addition to the requirements in reference (kk), specific guidance for NCCA employees is listed below.

(a) Receipt of Material. Secret material, received or originated, shall be entered into the secret material database and logbook. The secret material database and logbook, maintained by the Assistant Security Officer, will document all tracking information, to include; the Secret control number, date received, originator, title, custodian, and disposition.

(1) The Assistant Security Officer is responsible for assigning a control number and maintaining the secret material database.

(2) The Assistant Security Officer will distribute secret material to an appropriate custodian. The custodian will sign for and maintain positive control of the material while assigned to NCCA. Written notification from the custodian to the Assistant Security Officer is required in order to transfer secret material from one custodian to another within NCCA.

(b) Secret Material Custodians. Secret material custodians are responsible for the proper handling of Secret material under their cognizance. The custodian will visually inventory all Secret material annually or upon transfer or departure of the custodian. Signature receipt of the material by the new custodian is required prior to transfer or departure of the old custodian. Each Secret Material Custodian will be issued an appropriate security container for storage of classified material.

(c) Storage Requirements. Secret and Confidential material will be stored in a GSA approved security container. Filing cabinets modified with a lockbar and padlock will not be used to store any level of classified material.

(d) Security Containers. Each security container used to store classified information will display a reversible OPEN/CLOSED sign on the locking drawer. The sign will indicate at all times the correct status of the security container or open storage area.

(e) Security Container Combinations. Authorized personnel shall change combinations to security containers. Combinations will be given only to those personnel whose official duties require access to the security container and whose name appears on the SF 700.

(1) Combinations will be changed when security containers are first placed in use and when any of the following occur:

(a) An individual knowing the combination no longer requires access.

(b). The combination has been subject to possible compromise or the security container has been discovered unlocked and unattended.

(c) The security container is taken out of service. Built in combination locks will be reset to the standard combination 50-25-50.

(2) In selecting combination numbers, sequential numbers (i.e., multiples of 5, simple ascending or descending arithmetical series) and personal data, such as birth dates and Social Security numbers, will not be used.

(3) The same combination will not be used for more than one security container.

(4) The combination of a security container will be assigned a security classification equal to the highest category of the classified material stored within it and protected accordingly.

(5) Records of combinations will be sealed in an envelope (SF 700 will be used). The appropriate classification level will be marked on the envelope.

(f) Controls on Reproduction. NCCA does not have a classified copy machine; therefore, there is no authority to reproduce Secret and Confidential material.

(g) Controls on Photography and Recording Systems. NCCA does not have classified photography equipment nor recording systems; therefore, there is no authority to photograph or record Secret and Confidential material.

(h) Access. Knowledge or possession of classified information is permitted only for individuals whose official duties require such access in the interest of promoting national security and only if they have been determined to be eligible for access. No one has a right to have access to classified information solely because of rank, position or security clearance. The individual who has possession, knowledge, or control of classified information is responsible for granting and controlling access to it. Before granting anyone else access to the information, the individual possessing it must determine that the other person's official duties justify being given access to the information, and that the individual has the appropriate security clearance and access authorization from proper authority.

(h) Safeguarding. Anyone who has possession of classified material is responsible for safeguarding it at all times, and particularly for locking classified material in appropriate security containers whenever it is not in use or under direct supervision of authorized personnel.

(1) During duty hours, classified material will not be left unattended in any offices or areas within NCCA, unless specifically authorized.

(2) All spaces must be manned by appropriately cleared personnel to safeguard classified material that is removed from storage. Locked offices, whether by key lock or cipher lock, do not afford the level of protection required to safeguard classified material during duty or non-duty hours. All classified material will be properly stored in an authorized security container when it will no longer be under the direct supervision of authorized personnel.

(3) Personnel will not remove classified material from NCCA except in the performance of official duties and under conditions providing the protection required by reference (kk). Removal of classified material from NCCA requires prior approval of the Security Officer by issuance of a courier card.

(4) Procedures for protection of Confidential material are less stringent than those for Secret. There is no requirement to maintain records of receipt, distribution or disposition of Confidential material. Administrative provisions are required, however, to protect Confidential material from unauthorized disclosure by access control, compliance with reference (ll) and this instruction on marking, storage, transmission and destruction.

(i) Courier Cards. Courier cards that are issued by name will only be approved for personnel who must frequently hand-carry classified information from or to NCCA. The Security Officer will strictly limit issuance of courier cards. Courier cards issued by name will not be maintained by the individual to

whom issued. All courier cards will be maintained, accounted for, controlled and issued, as needed, by the Security Officer. Courier Authorization, DD Form 2501, will be issued, used and controlled as follows:

- (1) Issued by Name. DD Form 2501 may be issued by name to an individual after sufficient justification has been provided to indicate that the normal duties of the individual necessitate hand-carrying classified material on routine or frequent basis. In this case, DD Form 2501 may be issued for a maximum period of two years.
- (2) Control. All DD Form 2501 courier cards issued by name will be maintained by the Security Officer, when not temporarily issued to the individual for use, in a locked security container authorized to store classified material to the level for which the courier cards authorize hand-carry of classified material. An inventory/issue log will be kept with stored courier cards to reflect the current status of all DD Form 2501 courier cards. Each time a DD Form 2501 is checked out for use, the Security Officer or the designated assistant, and the individual to whom the courier card is being temporarily issued, will sign the log and annotate the date of issuance. The log will be annotated with the date and time of turn in and signed by the Security Officer or designated assistant and the individual. Courier cards will be checked in immediately following completion of the authorized travel.
- (3) Issued to Bearer. DD Form 2501 may be temporarily issued to an individual who has sufficient justification to hand-carry classified material on a nonroutine or infrequent basis. In this instance, the Security Officer will issue a "Bearer" courier card to the courier for the period of time to cover the proposed travel. The courier will return the issued "Bearer" courier card to the Security Officer immediately following completion of the authorized travel. The Security Officer will keep an inventory/issue log with stored "Bearer" courier cards that will reflect the current status of all DD Form 2501 "Bearer" courier cards.
- (j) Destruction of Classified Material. NCCA personnel may destroy classified material in one of two ways. The first utilizes the destruction facility on the Nebraska Avenue Complex. The second utilizes the shredder in the NCCA copy room.
 - (1) Destruction Facility. Classified material to be destroyed shall be placed in burn bags and closed securely with staples. Burn bags are sequentially numbered and may be obtained from the Assistant Security Officer.
 - (a) The weight of burn bags should not exceed 7 pounds. Any burn bag that tears or comes apart will not be accepted by the burn facility.
 - (b) Burn bags containing material that cannot be shredded, such as classified plastic binders, classified photo negatives, etc., shall be labeled "BURN ONLY."
 - (c) Burn bags are to be used for all classified material and also for any sensitive material. Anything placed in a burn bag will be considered classified and handled accordingly.
 - (d) Appointments for use of the NDW Nebraska Avenue Complex destruction facility will be scheduled by the Security Officer. Only personnel who have a Secret clearance are authorized to deliver burn bags for destruction.
 - (e) An NCCA Classified Material Destruction Report will be completed for Secret material at the time the material is placed in a burn bag for destruction. The original of the destruction report will be delivered to the Assistant Security Officer and a copy retained for two years by the office that destroys the documents.
 - (2) The shredder located in the NCCA copy room is certified for the destruction of documents up to and including Secret. Only small amounts of classified material should be destroyed in

the shredder. An NCCA Classified Material Destruction Report is still required for Secret material. The original of the destruction report will be delivered to the Assistant Security Officer and a copy retained for two years by the office that destroys the material.

904 Daily Security Procedures.

(a) Care of Working Spaces. Extraneous material (e.g., papers, printouts, publications, etc.) will not be placed or stored on top of security containers. The tops of security containers will be kept free of any papers or publications at all times.

(b) Care During Working Hours. When classified material is removed from storage for working purposes, it will be kept under constant surveillance and affixed with the appropriate cover sheet. Cover sheets shall be SF 704 and 705 for Secret and Confidential documents, respectively. The use of cover sheets in open storage areas is not mandatory; however, when uncleared personnel are to be permitted access, the area will first be sanitized to ensure that inadvertent access to classified information does not occur. Classified information will be discussed only when unauthorized persons cannot overhear the discussion. Particular care must be taken in partitioned office spaces and when there are visitors, cleaning, or repair personnel present.

(c) Individual Security Checks. A security check will be conducted at the end of each working day and whenever any individual returns to work after normal duty hours, on the weekend, or on a holiday, to make sure all spaces, classified material, and computers are properly secured. A SF 702, Security Container Check Sheet, will be used to record each time a security container, or open storage area is opened, closed, and checked. Security checks should ensure that:

(1) All classified material is stored in the manner prescribed.

(2) Classified notes, carbon paper, rough drafts, typewriter cartridges, ribbons, and Automated Information System media are properly secured.

(3) Security containers have been locked and checked. The dial of combination locks will be rotated at least four complete times in the same direction when securing security containers or open storage areas. Each drawer of a security container should be physically checked once the combination lock dial has been rotated to ensure each is properly secured.

(d) Security Watch Officer Procedures. All NCCA analysts, excluding Division Heads, are eligible to stand the NCCA Security Watch Officer (SWO) duty. The SWO duty is stood in increments of one workweek and is scheduled on a watch bill issued semi-annually. All personnel are responsible for securing their own relief should they be unable to perform the SWO duty when assigned. The Security Officer should be notified of all changes made to the SWO schedule.

(1) Watch Procedures.

(a) The security watch shall commence at the end of the normal workday, but not earlier than 1630.

(b) The NCCA Security Checklist shall be utilized while conducting the security watch. Check off and initial appropriate boxes on the checklist as security functions are completed.

(c) Each safe shall have a Security Container Check Sheet, Standard Form 702, attached. Check that each safe is locked by rotating the combination dial at least four times in the same direction and physically testing the drawer handles for each drawer. After ensuring that the safe is secure, initial and annotate the time checked on the form in the "Checked by" column. If the safe was not opened that day, it must still be checked

and the form initialed. In this case, it will be necessary to enter the correct date as well as the time on the form.

(d) The Security Officer must retain security Container Check Sheets. When it is necessary to replace check sheets during the watch, forward all completed forms to the Security Officer for retention. Blank Security Container Check Sheets can be found on the watch clipboard.

(e) When checking desks, ADP equipment, and typewriters, ensure that the power is off to all equipment. Power strips may be left on; however, the equipment itself should be turned off or unplugged. Desks should be scanned for classified material. Any classified material discovered should be removed and locked in a safe by the SWO. The Security Checklist should be appropriately annotated and the Security Officer notified about the discrepancy at the beginning of the next workday.

(f) In addition to checking all workspaces, the SWO shall ensure that coffee pots, fans, and all non-essential lights are secured. NOTE: The copy machine, scanner, and printers shall remain on at all times.

(g) On completion of the security check, the SWO shall sign the Security Checklist in the space provided on the last page of the Checklist.

(h) All personnel who remain after the security check has been completed by the SWO are responsible for securing their workspace. The SWO shall circle the name(s) of the person(s) remaining along with the areas of their workspace still unsecured (i.e., safes open, computers on, etc.) on the Checklist and leave the appropriate check and initial lines blank. The SWO should also notify each person remaining that they are then responsible for completing their portions of the Checklist.

(i) The last person departing the office for the day is responsible for the following:

(1) Ensure all lights are turned off.

(2) Sign the space marked "Last Person Out" on the Security Checklist and enter the time.

(3) Leave the completed Checklist on the clipboard and place it on the counter near the front door.

(j) If at any time there is a question about what should or should not be done regarding security matters and the Security Officer is not available, always take the most conservative choice or option.

905 Telephone Usage. Classified information will not be discussed/transmitted over the telephone except as authorized on STU-III terminals, or other approved telephone systems, being used in the secure mode. In all other circumstances, the telephone system is not secure and any discussion of classified information or "talking around" classified information is prohibited.

906 Use of STU-III Terminals. STU-III terminals will be used in the secure mode to discuss classified information only when no uncleared visitors are present who could inadvertently overhear the conversation.

907 Visitor Control. The movement of all visitors within NCCA will be restricted to protect classified information. A visitor is defined as any individual who is not assigned to the command as active duty or reserve military or as a civilian employee.

(a) Visitors Requiring Access to Classified Material. The following procedures apply to visitors requiring access to classified material:

(1) When a visit is planned to NCCA that will involve access to classified information, appropriate authority must send a visit request to the Security Officer. The visit request must be in writing, naval message, FAX or mail, and must include the following:

- (a) Name in full, rank, rate, or grade (when applicable), SSN, title, position, and citizenship of the proposed visitor. If an immigrant alien, it must be so indicated.
- (b) Employer or sponsor, if other than the originator of the request.
- (c) Date, time, and duration of the proposed visit.
- (d) Purpose of visit.
- (e) Security clearance status of visitor.
- (f) Name of NCCA personnel to be visited.

(2) The NCCA point of contact who will be hosting the visitor is responsible to ensure that the information required above is conveyed to the visitor to facilitate submission of the visit request to the Security Officer. It is also the point of contact's responsibility to determine the visitor's "need-to-know" prior to granting access to any classified information and to withhold classified information from the visitor when considered necessary.

(3) The Security Officer will accept security clearances for access to classified information granted to visitors by competent authority, provided a sufficient basis for the visit exists to approve the visit request.

(4) Requests for visits to NCCA will be submitted at least two working days in advance of the proposed visit, in sufficient time to permit processing and to make a determination as to whether or not the visitor should or will be granted access. For emergent requests, the above information may be furnished by telephone to the Security Officer, but it must be confirmed promptly in writing by letter or message. Under no circumstances may personnel hand carry their own visit requests to NCCA.

(b) Visitors Not Requiring Access to Classified Material. Notification of visits that will not involve access to classified information should be provided to the Assistant Security Officer in advance, when possible.

908 Visit Requests. All outgoing visit requests are processed by the Assistant Security Officer. It is the responsibility of the analyst to initiate any required visit requests. Visit requests require the following information:

- (a) Complete mailing address of destination.
- (b) Point of contact name and phone number.
- (c) Security office point of contact and phone and fax numbers.

(d) Arrival date.

(e) Purpose of visit.

(f) Names of all personnel making visit.

(g) Allow 3 days processing time for standard visit requests. NOTE: Visit requests cannot be hand carried to the destination.

909 Procedures for Removal of Property from NCCA. All government and personal property shall be subject to inspection. Removal of government property, and personal property that cannot be readily and unmistakably identified as personal property, will require a Property Pass, NAVSUP 155, to authorize removal from NCCA. Division Heads are authorized to sign a Property Pass, NAVSUP 155.

910 Foreign Travel. A foreign travel briefing may be required for personnel traveling to a foreign country for either business or personal reasons. The Security Officer will determine if the brief is necessary and provide it as appropriate. It is in the best interests of the command and the traveler to ensure travelers are fully prepared for any particular security or safety concerns that the foreign travel may introduce. Upon return of the traveler, they should be provided the opportunity to report any incident that could have security implications. Reference (kk) provides additional information.

911 ADP Security

911.1 Purpose. To establish policies, responsibilities, and procedures for automated data processing (ADP) security within NCCA and to supplement the policies established in reference (mm) and (nn).

911.2 References

(a) References (kk) through (ll) establish the requirements for Automated Information System (AIS) Security to ensure the protection of classified information on all computers and computer networks.

911.3 Authorized Users

(a) Any member of NCCA possessing a Secret security clearance may use one of the classified workstations. Unclassified workstations may be used by all personnel.

(b) Designated contractor personnel may, with appropriate security clearance and approval of the Director, use the system as required.

911.4 Key Personnel. Key managers of NCCA's Automated Information System are:

(a) The ADP System Security Officer who is in charge of overall ADP security.

(b) The ADP Systems Manager is the point of contact for all non-security related issues.

911.5 Access to Classified Workstations

(a) Access to the classified workstations is generally restricted to standard NCCA software installed on the hard disks. Permission to use other software should be obtained from the Systems Manager, with concurrence of the Security Officer.

(b) Users will maintain their own floppy diskettes for storage of classified data.

(c) Access to the classified workstations is on a first come basis. In case of conflict, priority will be determined by the Division Heads.

911.6 System Description. NCCA's Automated Information System consists of TEMPEST and non-TEMPEST computers.

911.7 System Applications

(a) The primary use of the classified or TEMPEST systems is for typing "Confidential" or "Secret" correspondence and for performing calculations on classified data as part of NCCA's cost analysis function.

(b) Any processing of classified information must be performed on a TEMPEST machine. Failure to follow this policy is a security violation. The TEMPEST equipment, however, can also be used to process non-classified data.

911.8 ADP Standard Operating Procedures

(a) Classified Information

(1) Classified data is not to be stored on hard disks; only removable floppy diskettes may be used for storing classified data.

(2) All removable floppy diskettes and printed matter containing classified data will be appropriately labeled and securely handled, stored, or destroyed according to applicable instructions in reference (mm).

(3) Where possible, classified files will contain an internal record indication their level of classification.

(4) Separate hard disks containing system software used for processing classified data will be removed and stored in a safe at the end of each classified processing session. Also, the microcomputer will be powered down to wipe out volatile memory before any further processing is done.

(5) Modems will not be connected to the TEMPEST microcomputers. Under no circumstances will classified data be passed between NCCA computers and any other computers either inside or outside NCCA. The ADP Security Officer will periodically inspect the terminals to ensure that modems are being properly used.

(6) All removable system equipment (e.g., core memories, hard disks, CRT terminals and floppies) must be sanitized before disposal or re-use in an unclassified environment according to applicable instructions in reference (mm). If an approved degausser is not available, hard disks and floppies may be overwritten with zeroes and ones.

(7) Any possible compromises of privacy, security abnormalities, user security violations, or unauthorized request for data will be reported immediately to the ADP Security Officer.

(8) While the primary use of the classified systems should be for processing Secret or Confidential data, unclassified use is allowed as needed.

(b) General Procedures For All Other Information

(1) At the end of each workday, the NCCA Security Watch Officer will ensure that all users are logged off their computers and that all workstations are properly powered down.

(2) Any proposed equipment or software additions to NCCA's AIS will be presented to the ADP Systems Manager.

(3) In the event of unauthorized personnel either attempting to or actually accessing NCCA's Information System, the ADP Security Officer will be contacted immediately.

(4) No personal use of computer equipment is authorized under any conditions.

(5) In the event of a system failure, problem, or equipment breakdown, users will report the situation to the ADP Systems Manager. A service call to the maintenance contractor will be placed if the problem cannot be resolved in-house.

(c) Back-up Files

(1) Floppy diskettes for unclassified, commercially developed software resident on the hard disks should be stored in containers.

(2) Users are responsible for backing-up applications software such as data or word-processing files. Back-up diskettes should be updated at the end of each work session.

(3) Documents and correspondence generated by the secretarial and administrative staff should be archived at their discretion. The ADP Systems Manager will provide the staff with a set of guidelines on how to most efficiently perform this function.

911.9 Emergency Procedures

(a) When users notice that the temperature or humidity is outside normal office ranges, they will notify the Systems Manager who will decide if the computers should be powered down and secured. Normal operations will continue when temperature and humidity return to acceptable levels.

(b) If advanced notice is received that electrical service will be interrupted, the Systems Manager will inform users. Workstations will be turned off and secured before the interruption.

(c) If power to a computer fails, for any reason, the user will immediately power off the system with the on/off switch, and notify the Systems Manager who will assess the problem and determine the most prudent time to return to normal operation.

(d) In the event of an emergency building evacuation, all classified computer material will be secured. Users will power down and secure classified systems. Users will power down and secure unclassified systems if time permits.

911.10 Responsibilities

(a) Systems Security Officer.

(1) Ensure that all personnel who operate, maintain, or use the ADP system are indoctrinated in system security requirements and responsibilities.

(2) Develop and maintain a description of the system including countermeasures and copies of locally developed directives, policies, and plans.

(3) Monitor and audit system security and procedures for reacting to and correcting detected deficiencies.

(4) Ensure that non-NCCA personnel are observed while they are in NCCA spaces.

(5) Ensure that adequate fire-detection and fire-extinguishing systems are provided.

(b) ADP Systems Manager

(1) Take the lead in acquiring and maintaining hardware and software.

(2) Load all software packages onto the hard disks used at each workstation.

(3) Instruct personnel in the use of various software packages.

(4) Serve as NCCA's focal point on any ADP matters not related to security.

(c) ADP System Users

(1) Contact the ADP Security Officer for security training and the ADP Systems Manager for guidance on using their computer. Ensure that an ADP training form, Appendix 9.1, is filed with the ADP Security Officer.

(2) Protect data, documents, and outputs generated by their system.

(3) Submit any self-developed applications software to the Security Officer for verification that the code does not contain viruses.

(4) Follow the afore-mentioned procedures in processing classified information.

TRAINING FORM

Personal Certification of Training

My signature below certified that I have read and understood NCCA's ADP Security Operating Procedures. I will carefully follow the procedures for handling classified data and for using the classified workstations.

Signature
Date

CHAPTER 10

GENERAL EMERGENCY PROCEDURES

1001 Emergency Procedures

1001.1 Evacuation Procedures

(a) In the event of a fire or other emergency that required emergency evacuation of a facility, any employee is authorized to activate the alarms. Knowingly initiating a false alarm shall result in disciplinary action. When an alarm to evacuate is sounded all employees to immediately to the designated safe area.

(b) The designated safe area for NCCA personnel is the picnic area near Building 21.

(c) Individuals evacuating via the main entrance to NCCA will proceed to the safe area directly. Those departing via the second floor south entrance will proceed down the main stairway of Building 19 (NCTC) and then go directly to the safe area. Those departing via the second floor north fire escape exit will proceed well clear of the building and walk around to the safe area.

(d) The senior person at the safe area shall make every attempt to perform a count of all employees in the safe area. If anyone is missing, the senior person shall determine the following:

- (1) The name(s) of any missing individual(s).
- (2) General physical description of any missing individual(s).
- (3) Where the individual(s) was/were last seen.

(e) Under no circumstances will anyone be allowed to stay in, or re-enter the facility that is under an emergency evacuation. This is important when someone is presumed missing. The senior person present must ensure that no one enters the facility to search for missing individuals. When qualified fire/rescue personnel arrive, the senior person present shall relay the following information:

- (1) Any missing employee's name and physical description.
- (2) When and where the missing employee was last seen.

(f) No one shall be allowed to return to the area until the Senior Fire Official declares that there is no longer danger present.

1002 Types of Emergencies

1002.1 Fire. When a fire is detected, employees who have been trained in the use of a fire extinguisher may attempt, within reason, to extinguish the fire. If the fire cannot be immediately extinguished by using one fire extinguisher the employee shall sound the alarm to evacuate the facility and ensure the DoD Police are notified. Employees shall not endanger themselves in further attempts to put out the fire. Once the evacuation alarm is activated, all employees shall exit the facility, assemble at the safe area, and follow briefed procedures for emergency evacuation. No employee shall re-enter the facility until the On-Scene Senior Fire Official has issued the all clear. Even if the employee successfully extinguishes the fire, they must immediately notify their supervisor and the DoD Police, so follow-on actions as necessary can be taken.

1002.2 Severe Weather. The source of severe weather information will vary depending upon local services. It may come from visual observations, weather facilities, or emergency service personnel.

Response will vary depending upon the nature of the hazard and warning time available. As a general rule, employees should immediately move the Building 18 basement. Any decision to evacuate to a safe area outside the facility should be made by the Director and should be based on the expert advice of emergency response personnel. Employees shall remain in the safe area until the all clear is given by the appropriate agency.

1002.3 Medical

(a) The person discovering the injured or ill person will immediately call the DOD Police and provide the following information:

- (1) The caller's name
- (2) Location
- (3) Number of people injured
- (4) Type of injury
- (5) The entrance to the facility nearest the injured person.

(b) The caller shall not hang up until told to do so by the person receiving the call. The person making the call, or a designee, shall immediately report to the facility entrance to lead the rescue team to the injured employee.

1002.4 Bomb Threats/Sabotage

(a) Telephone calls, notes, or letters relating to bombs or bomb threats shall never be disregarded. In the event a bomb threat arrives over the phone, the person receiving the call shall try to obtain the following information:

- (1) Date and time of the call
- (2) Location of the bomb
- (3) Time the bomb is expected to detonate
- (4) Gender of caller
- (5) Mood of caller; for example, angry, intoxicated, calm, intelligent
- (6) Background noise
- (7) Unusual characteristics, such as an accent, or key words used repeatedly

(b) If any employee receives a bomb threat, he/she will immediately notify the chain of command. Senior management shall:

- (1) Contact the DoD Police
- (2) Ensure the facility is immediately evacuated
- (3) Let police authorities determine when it is safe to re-enter the facility

1002.5 Other

(a) If workplace emergencies arise that are not covered by this procedure, employees and management shall evaluate the situation and take whatever precautions necessary to protect lives and property.

(b) Evacuate personnel to the safest possible location.

(c) Contact DoD Police to handle the emergency.

RECURRING REPORTS

EVENT	RESPONSIBILITY	OCCURANCE	DATE
PARS Mid-year Review	Division Head	Annual	31-Jan
Military O-3 Fitness Reports	Director	Annual	31-Jan
Military O-6 Mid-year Review	Director	Annual	31-Jan
Classified Document Inventory	Division Head	Annual	31-Jan
Military O-5 Mid-year Review	Director	Annual	28-Feb
IWAR Assignments	Deputy Director	Annual	15-Mar
Military O-4 Mid-year Review	Director	Annual	31-Mar
Policy Manual Review	Director	Annual	1-Jul
IDP Review	Division Head	Annual	1-Jul
Civilian Performance Standards Review	Division Head	Annual	1-Jul
Cost Research Plan	Head, Cost Research	Annual	1-Jul
Division Training Plan	Division Head	Annual	15-Jul
Civilian Evaluations	Division Head	Annual	31-Jul
Military O-6 Fitness Reports	Director	Annual	31-Jul
Military O-3 Mid-year Review	Director	Annual	31-Jul
Command Training Plan	Deputy Director	Annual	31-Jul
Division Funding Requirements	Division Head	Annual	15-Aug
Division Travel Plan	Division Head	Annual	15-Aug
Military O-5 Fitness Reports	Director	Annual	31-Aug
Military O-4 Fitness Reports	Director	Annual	30-Sep
Management Control Certification	Head, Business Operations	Annual	30-Sep
Security Training	Security Officer	Annual	30-Sep

Addendum (1)

REFERENCES

- (a) OCPM Instruction 12540.1
- (b) OCPO Instruction 12430.1
- (c) NAVMILPERSCOM Instruction 1610.10
- (d) SECNAV Instruction 12310.22A
- (e) OCPM Instruction 12410.1
- (f) S/HCPO Instruction 12414.2
- (g) Federal Personnel Manual
- (h) Title 5, USC Chapter 61, Subchapter II
- (i) Public Law 99-196
- (j) OCPM Instruction 12610.1
- (k) AA/USN ltr of 10 August 1989, subj: CWS
- (l) NRFCWASH Instruction 7410.3A
- (m) SECNAV Instruction 7000.11C
- (n) SECNAV Instruction 5216.D
- (o) OPNAV Instruction 5510.14
- (p) DoD Directive 5000.4
- (q) OPNAV Instruction 5200.25C
- (r) SECNAV Instruction 5200.35D
- (s) DoD Directive 5010.38
- (t) DoN Budget Guidance of April 1999
- (u) NAVSO P-Series 1000
- (v) DoD Directive 7000.14R
- (w) Joint Travel Regulation, Volume 1 and 2
- (x) Joint Message Form 221950Z of December 1988
- (y) Federal Travel Regulation
- (z) DoD Directive 5000.4
- (aa) NAVSUP Instruction 4205.3
- (bb) SECNAV Instruction 4250.7E
- (cc) SECNAV Instruction 4200.31C
- (dd) SECNAV Instruction 4200.27A
- (ee) NAVSUP Instruction 4330.7
- (ff) Management Concepts, Inc., Contracting Officer's Representative Course Guide
- (gg) SCENAV Instruction 5238.1C
- (hh) DoD Directive 4140.1
- (ii) DoD Directive 7950.1

(jj) DoD Manual 7950.1M

(kk) SECNAV Instruction 5510.36

(ll) OPNAV Instruction 5510.60L

(mm) OPNAV Instruction 5239.1B

(nn) The Computer Security Act of 1987 (Public Law 100-235)