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WASHINGTON, D.C. 20350-1000

14 SEP 2000

MEMORANDUM FOR DISTRIBUTION

Subj: NAVY MARINE CORPS INTRANET IMPLEMENTATION GUIDANCE

Encl: (1) NMCI Implementation Guidance  
(2) NMCI Personnel Transition Policies  
(3) Timeline

Over the next several years the Department of the Navy (DON) expects to dramatically improve its communications capabilities through deployment of the Navy Marine Corps Intranet (NMCI). Although DON does not currently possess the end-to-end capabilities envisioned under NMCI, many Navy activities and Marine Corps Commands do have civilian personnel operating information technology networks and providing communications services at the local level. Since NMCI services will be provided through contract personnel, DON has studied the potential impact of NMCI on its civilian employees and developed a coordinated approach to implementation.

Over the course of the multi-year deployment period, NMCI will impact approximately 1 percent of DON's civilian workforce. Based on information provided by the major claimants, over half (54 percent) of the 1,886 personnel impacted are expected to be reassigned or retrained within their own Commands/activities or at other Commands/activities within the claimancy. Another 29 percent are expected to retire or otherwise leave voluntarily. Although the remaining employees could possibly face involuntary separation, the impact will be spread out over several years and many different geographic locations. As a Department, we are committed to minimizing this impact through the proactive use of our full range of placement policies and other proven steps.

Enclosures (1) - (3) are provided to assist you in preparing for this important transition. If you have questions, please contact Ms. Sharon Stewart at (202) 764-0734.

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## NMCI IMPLEMENTATION GUIDANCE

All Claimants and Navy activities/Marine Corps Commands affected by NMCI are expected to immediately develop civilian personnel transition plans to mitigate the impact of NMCI implementation, even if they are scheduled for a later implementation time frame. Additional guidance on the development of these plans will be contained in Section 8.1, Civilian Personnel, of the NMCI Execution Plan to be issued shortly. Where impacted employees are represented by labor organizations, those organizations should be involved in the planning process, as appropriate.

Although the most effective transition programs are those tailored to the specific needs of the impacted employees, certain basic steps must be considered by any organization anticipating involuntary separations. Successful transition plans will require close cooperation among the Command/activity management, the Human Resources Offices, the echelon I and II organizations and the Information Technology community. NMCI Personnel Transition Policies available for locally tailored use can be found in enclosure (2). Enclosure (3) is a general timeline chart that can be used in planning appropriate transition events.

DON placement policies and other general personnel authorities have been effective in minimizing the adverse impact on employees in past reductions. The NMCI initiative, however, is different - its goal is not to reduce staff but to significantly enhance information technology capabilities. With this in mind, new requirements are being implemented that respond to the dual goals of minimizing adverse impact and facilitating hiring of staff knowledgeable of DON mission and operations by the NMCI contractor.

### **DON/Contractor Relationships**

DON recognizes that the effectiveness of the NMCI initiative will be enhanced if the contractor's staff includes individuals with special knowledge of the DON. The DON Program Executive Office Information Technology (PEO IT) will therefore work with the contractor to fulfill the below "First Hire" terms and conditions of the contract. It is expected that the contractor will make available and publicize, in a format that is accessible to affected claimants and DON employees, all employment openings that potentially fall under the provision. It is expected that the contractor will provide relevant

information concerning the points of contact, processes and any required information for application to these positions. The DON PEO IT will interface with the contractor via appropriate procurement officials on any issues or guidance concerning these terms and conditions.

#### **"First Hire"**

The objective of the first hire provision is to enhance the opportunity for DON personnel in impacted positions to be considered for and hired by the contractor and its subcontractors for vacancies occurring during the deployment. Navy activities and Marine Corps Commands will appoint an NMCI Transition Official to smooth the transition of impacted staff to contractor employment. These Civilian Personnel Transition Officials will work with the contracting office representative to assure that the provision in the request for proposals related to "first hire" is fairly implemented. The Civilian Personnel Transition Officials will assist individuals in identifying openings and resolving issues related to non-selection. DON will work with the contractor to identify special capabilities required for employment and will consider providing training to qualify its employees for available vacancies.

The Solicitation contains the following specific provision:

"To the extent that any civilian Government employees are or will be incidentally displaced due to the NMCI initiative, the Contractor shall offer one or more positions to each such employee for employment openings under the contract. This Contractor obligation applies to comparable positions for which the employee is qualified, if consistent with post-Government employment conflict of interest standards. The Contractor requests an up-to-date resume from each incidentally displaced employee to determine his or her qualifications for employment openings. This special requirement shall be included in subcontracts at all tiers in excess of \$500,000."

#### **Training Opportunities**

Training will be an important element in facilitating employee transitions to other job opportunities within DON, DOD, other Government agencies and the private sector. DON will use the broadest possible application of these authorities to assist affected personnel. Navy activities and Marine Corps commands

will establish training programs and request funds if necessary through their chain of command. The Department will ensure that Claimant training budgets allow for adequate funding to support training needs. Training opportunities will focus on meeting requirements for DON and DOD placement. Training opportunities for placement in other Federal agencies and with the winning contractor will also be considered. The goal is to remove barriers to hiring that result from lack of specific skills.

#### **Other Planning and Personnel Placement**

DON leadership is key to the effective implementation of these strategies. Echelon I and II commands will ensure that plans are in place to address the impact of employees leaving prior to deployment so that employees may take full advantage of early participation in the Priority Placement Program, Voluntary Separation Incentive Program, and training. Robust planning and placement programs will broaden opportunities for assistance across Claimants and Navy activities and Marine Corps commands. Personnel will be specifically identified to ensure effective cross-Claimant cooperation. Working directly with individuals is also key. Each Claimant will appoint personnel with the explicit responsibility at both the Claimant and Command/activity levels to notify other agencies and firms about staff availability. These individuals will work proactively to facilitate matching job opportunities to DON personnel.

Commands/activities will also examine work currently performed under contract to determine if there are opportunities, within existing statutory and policy constraints, to have the work performed by DON information technology professionals displaced by the NMCI contract. If feasible, this could provide additional opportunities to place impacted staff.

#### **Actions Required**

Since NMCI implementation will cross both claimant and geographic boundaries, echelon I and II commands must appoint an NMCI Claimant Civilian Personnel Transition Official to ensure that coordination occurs both within the claimant and with other claimancies. This individual will:

Coordinate placement assistance within the claimant,

Coordinate placement assistance across claimants,

Appoint a lead claimant coordinator in geographic areas, when appropriate, to identify multiple-claimant impacts and

determine whether coordinated transition assistance efforts are appropriate,

Develop a coordinated transition plan for the claimant by assisting subordinate Commands/activities in the development of transition plans and identification of resources to support training and other efforts, and

Provide assistance to Commands/activities needing to fill positions temporarily through detail and/or temporary duty assignments from other Commands/activities, so that affected Commands/activities can make full use of transition tools that can result in the early loss of employees performing NMCI-type work.

In addition, each Marine Corps Command and Navy activity employing civilians impacted by NMCI must appoint a NMCI Civilian Personnel Transition Official as the responsible official for oversight efforts to assist NMCI-affected employees. This individual will:

Develop a local transition plan and submit to claimant,

Identify training needs of affected employees,

Oversee placement efforts,

Coordinate actions/placement efforts with the servicing Human Resources Office,

Distribute contractor vacancy information to eligible employees, and

Be involved in the review process of employees not offered jobs by the contractor.

Navy activities and Marine Corps commands will report the names of their NMCI Civilian Personnel Transition Officials to the Claimant. The Claimant will designate an NMCI Claimant Civilian Personnel Transition Official, who will consolidate and report the names to the Office of the Deputy Assistant Secretary of the Navy (Civilian Personnel/Equal Employment Opportunity) within 14 days of the date of this memorandum. Periodic reports on the progress of the deployment may be required.

Commands/activities are reminded that any bargaining obligations must be satisfied in developing plans.

## **Conclusion**

The DON is confident that these new initiatives, when combined with the placement policies that have been effective in the past, will maximize the potential for mitigating any adverse impact on employees and ensuring that the contractor has staff knowledgeable about the DON mission and operations.

## NMCI PERSONNEL TRANSITION POLICIES

### DON NMCI Civilian Personnel Transition Strategy

The DON is committed to a smooth and efficient transition to NMCI and to assisting individuals in impacted positions and their families. The DON will work in close cooperation with the successful NMCI contractor to heighten awareness of the importance placed on mitigating any adverse impact on employees in affected positions. The DON will implement the full range of our transition policies as well as new initiatives to ensure that:

- Affected employees will be treated fairly and equitably, irrespective of Claimant, geographic area, job series, grade or other characteristics,
- The adverse impact on these employees will be minimized through appropriate planning and practices, and
- Solutions will be drawn from the best of government and industry practices.

Below are a wide variety of employee assistance and placement policies that are routinely used by DON Commands, activities, Human Resources Offices and Human Resources Service Centers. In most efforts involving a reduction in civilian positions, activities and Commands determine which tools will be used and when they will be implemented, based on mission requirements and employee needs. For example, they determine when voluntary early registration in the Priority Placement Program (PPP) will be offered to employees, whether and when employment and/or promotion freezes will be implemented, etc.

Implementation of NMCI is a DON-wide initiative; consequently, placement initiatives will be uniform throughout the commands and activities to the extent practical. To promote access to assistance and placement during the NMCI deployment, placement tools will be implemented as early as possible. The first activities to deploy will be given as much advance notice as possible to permit employees to take advantage of the placement tools. In the past, availability of funding to support placement efforts has limited some activity and command capabilities. This issue will be monitored closely throughout the NMCI transition.

DON has already begun planning to assist impacted employees. In early Spring 2000, a message was issued requesting Claimants to consider a freeze on permanent hires and the use of term and temporary appointments in impacted occupations, and to begin to provide retraining in anticipation of NMCI as an option to assist affected individuals. In addition, DON included language in the NMCI request for proposals that requires the successful NMCI contractor and associated subcontractors to offer appropriate employment opportunities to affected employees prior to considering other applicants. This provision applies to all impacted positions and is one of a number of initiatives to encourage the contractor to consider employees in impacted positions for employment.

#### **DON Placement Tools**

The following tools are regularly used when a reduction in DON personnel is planned.

#### **1. Pre-RIF Period - Encouraging Alternate Placements and Voluntary Separation:**

- **Freeze permanent hires and promotions to positions likely to be impacted and to continuing positions that represent alternate placement opportunities for potentially surplus employees.** Commands/Activities will impose freezes, as appropriate, to enhance placement opportunities for positions within their Commands/activities.
- **Reassign and/or detail affected employees to continuing positions.** Commands/Activities are expected to reassign affected employees to continuing positions as soon as possible, including positions at other activities in the same commuting area where practicable, with provision for detail back to their position on a full, part-time, or occasional basis as appropriate.
- **Voluntary Separation Incentive Pay (VSIP)/Voluntary Early Retirement Authority (VERA).** Commands/activities will implement VSIP/VERA programs whenever they are unable to locate continuing positions for affected employees. VSIPs of up to \$25,000, combined with VERA as needed (and in accordance with existing policies and procedures), will be offered to affected employees who are

interested in voluntarily leaving Federal service and/or to employees in continuing positions which are alternate placement opportunities for affected employees who would otherwise be facing RIF separation. Retirement seminars and/or counseling sessions will be scheduled, as needed, to help employees make VSIP/VERA decisions. Delayed separation dates will be authorized as appropriate. Expanded VSIP programs to encourage employees at other local activities to resign or retire so that their positions can be used to place affected employees can be authorized. In addition, registration in the Priority Placement Program (PPP) up to one year prior to the RIF date under broad policy guidelines can be authorized.

- **Early PPP registration.** Early PPP registration of affected eligible employees, up to one year prior to the date they would otherwise be subject to involuntary separation or downgrade is available to activities/ Commands. Early registration is voluntary on the part of each affected employee. As a result of registration, those employees facing separation or downgrading will be matched with vacancies throughout the Department of Defense, within the area of referral. If employees are placed outside of their commuting area, the releasing activity pays for their Permanent Change of Station (PCS) travel and transportation costs. Employees will be given maximum flexibility within program constraints to register in the series and geographic locations which best enhance their placement opportunities.
- **Defense Outplacement Referral System (DORS).** Commands/activities will inform affected employees of the placement assistance available to them through DORS. Employees may register in this system either prior to PPP registration or when registering in the PPP for referral to positions in non-DOD Federal agencies and in state or local governments.
- **Retraining for activity vacancies.** Commands/activities will be expected to authorize appropriate retraining for affected employees, as necessary, to enable them to assume the duties of alternative positions.

- **Transition assistance.** Commands/activities will implement transition assistance services tailored to the needs of their affected employees. Transition services offered will vary according to the needs of the employees. Typically, they will include such elements as access to job search systems, assistance in résumé and cover letter writing and interviewing skills, administrative time to conduct job searches, information on financial planning, and job fairs with other government and/or private sector employers. Access to computers, printers, etc. will also be made available.
- **Placement Subsidies.** Commands/activities are encouraged to authorize outplacement subsidies to facilitate placement of affected employees in non-DOD federal agencies. When an outplacement subsidy is authorized prior to issuance of a RIF separation notice, the releasing activity agrees to reimburse a non-DOD federal agency for up to \$20,000 in permanent change of station costs.
- **Interagency Career Transition Assistance Program (ICTAP).** The ICTAP is a government-wide placement program mandated by Office of Personnel Management regulations. It provides placement assistance for surplus employees who apply, and are determined to be well qualified, for non-DOD federal positions. It is available for employees who have either received specific RIF separation notices or notices of expected separation that are issued within 6 months of the expected separation date.
- **RIF Timing.** Commands/activities should coordinate their RIF schedules so that, to the extent possible, only one RIF takes place at a particular activity/location in the same time period. Commands/activities and Claimants are also encouraged to provide joint transition assistance to employees and their families when the timing of RIFs coincides at particular geographic locations.
- **Geographically-based RIF Volunteers (VRIF).** DON will coordinate with the DoD Civilian Personnel Management Service, Civilian Assistance and Re-employment Division, to expand the VRIF program in order to

solicit volunteers from other DOD activities in the commuting area when it is clear that affected employees would otherwise be separated by RIF.

- **Training.** Commands/activities and Claimants are encouraged to offer appropriate training to assist impacted employees in their outplacement efforts.
- **Employee Assistance Program.** Command/activities should assess their current employee assistance programs and ensure that they are properly structured to provide appropriate assistance to NMCI-impacted employees.
- **Department of Labor Joint Training Partnership Act (JTPA).** Employees in impacted positions will be provided with the appropriate documentation to be eligible for retraining assistance under JTPA. If appropriate, partners will be sought to apply for grant assistance to cover such activities as readjustment training, tuition, books, on the job training, relocation allowances, job search allowances and support services, such as child care, etc. (20 CFR 631.2, Title III). In past initiatives, activities have effectively partnered with their unions to qualify for grant assistance. A centralized approach will not be adopted because the states that manage these programs have varying requirements.

## **2. RIF Period - Minimizing Employee Stress and Maximizing Outplacement:**

- **Transition Assistance.** Commands/activities should intensify their levels of transition assistance to interested employees during the RIF period, with particular emphasis on such areas as stress management and financial planning. Other activities that were successful in past downsizing events include: job fairs, peer counseling and job clubs.
- **Mandatory PPP Registration.** Employees under RIF notice are required by DOD regulation to register in the PPP. PPP registration and associated placement efforts continue for up to one year after RIF separation or until the employee receives an offer of employment.

- **Expanded VSIP.** PPP registrants who have received RIF separation notices and are within 120 days of separation are automatically placed in the DoD-wide Expanded VSIP Program throughout their areas of PPP referral. Under this program, employees at other activities volunteer to resign or retire with VSIP in order to make their continuing positions available for placement of employees who would otherwise be separated by RIF. The releasing activity funds the PCS cost, if any, for its employee and the VSIP cost for the other activity's employee volunteer.
- **Waiver of Qualification Standards.** Command/Activities have the option of waiving qualification standards for most vacant positions in order to place an employee in receipt of a RIF separation notice.
- **Voluntary RIF.** Command/activity employees who are not facing separation, but who would like to leave the Federal service for personal reasons, may volunteer for RIF in place of employees who would otherwise be RIF separated. Volunteers for RIF, if otherwise eligible, receive most of the benefits associated with RIF separation, e.g., severance pay, early retirement, continuation of health benefits coverage, etc., but are excluded from registration in the PPP.
- **Use of Annual Leave for Retirement or Health Benefits.** Employees under RIF separation notice may elect to use their accrued annual leave to reach initial eligibility for a retirement annuity or to qualify for health benefits coverage after retirement.
- **Temporary Continuation of Health Insurance.** When a DOD employee who is not retirement eligible is separated by RIF or is a surplus employee accepting a VSIP prior to RIF, his or her activity is required to pay the government portion of health insurance costs for up to 18 months after separation.
- **Lump Sum Payment of Severance Pay.** Commands/activities may authorize employees entitled to severance pay to receive their payment in a lump sum rather than in biweekly payments, as is normally the case. Lump sum authorization can significantly

assist employees under certain circumstances, e.g., to provide investment capital to start a small business.

## Timeline

The timeline below provides a rough approximation of the time period within which tasks should be initiated or completed for organizations participating in the initial order phase and for organizations participating in subsequent ordering phases. Employing organizations should provide ample time to fulfill any requirements in bargaining agreements and to receive the necessary approvals for RIF, VSIP or VERA, as appropriate. Depending on the circumstances at each employing organization not all of the tasks will be required, e.g. if no RIF is anticipated it may not be necessary to establish the Transition Assistance Services or request RIF approval.

For the organizations deploying in the first quarter, the time available for advance planning will need to be compressed. The Timeframe for Initial Order Phase provides the minimum time required to initiate tasks.

<u>TASKS</u>	<u>WHO DOES IT</u>	<u>TIMEFRAME FOR INITIAL ORDER PHASE</u>	<u>TIMEFRAMES FOR SUBSEQUENT ORDERING PHASE</u>
		T- FULL CONTRACT DEPLOYMENT/ RIF EFFECTIVE DATE	T- FULL CONTRACT DEPLOYMENT/ RIF EFFECTIVE DATE
Redesign business processes for acquiring NMCI services.	Employing Org Mgmt and CIO	T-4 months	T-36 to T-12 months
ID Positions to be abolished.	Employing Org Mgmt	T-4 months	T-36 to T-12 months
Initiate update of RIF registers.	HRSC, Employing Org Mgmt and HRO	T-4 months	T-36 to T-12 months
Determine likely results of position abolishment, reassignment/VSIP/VERA, etc. (Consider a mock RIF.)	Employing Org Mgmt and HRO  HRSC for mock RIF (Lead time necessary to run)	T-4 months to T-2 months	T-36 to T-12 months
Prepare notice to Congress of expected RIF, if numbers not included in response to DASN(CP/EEO) July data call.	Employing Org Mgmt, Claimant, DASN(CP/EEO), OLA	T-4 months	N/A  Use annual data call
Establish Transition Assistance Services appropriate for needs- Job search systems, resume writing and interviewing skills	Employing Org Mgmt and HRO	T-4 months	T-36 months  Ongoing process

interviewing skills training, financial planning, retirement planning etc.			
Assess Employee Assistance Program to ensure needs of impacted employees are met.	Employing Org Mgmt	T-4 months to T-2 months	T-36 months to T-0
Assess training/retraining needs.	Employing Org Mgmt	T-4 months	T-36 to T-12 months
Assess maintaining mission essential operations in light of placement actions planned for affected employees.	Employing Org Mgmt and HRO	T-4 months	T-36 to T-0 months (Ongoing process)
Consider hiring freeze on positions affected employees may qualify for.	Employing Org Mgmt	T-4 months	T-36 to T-3 months
Consider early PPP registration for affected employees. DoD approval needed for T-2 years. Activity Head may approve early registration at T-1 year.	Employing Org head must request DoD approval via HQ DON for 2 years Employing Org head approves for 1 year or less away from RIF	Not applicable	T-2 years  T-1 year or less
Conduct early PPP and DORS registration.	Employing Org Mgmt, HRO and HRSC	T-4 months to T-2 months	T-2 years (or less) to T-2 months (see above)

Budget for anticipated costs Training/retraining, VSIP, PSC, Severance Pay.	Employing Org Mgmt	Not applicable	T-36 months to T-18 months, to coincide with budget
Acquire claimant approval for VSIP and RIF.	Employing Org Mgmt	T-4 months	T-36 months to T-12 months
Acquire approval of VERA through claimant/HQ/ DON/DoD.	Employing Org Mgmt	T-4 months	T-12 months to T-4 months
If appropriate, acquire approval of early VSIP expansion program participation.	Employing Org Mgmt through Claimant/HQ/DON/DoD	Not applicable	T-12 months to T-2 months
Survey affected employees and obtain commitments for VSIP/VERA.	Employing Org Mgmt and HRO	T-3 months	T-12 months to T-3 months
Run RIF.	Employing Org Mgmt, HRO and HRSC	T-3 months	T-3 months
Issue RIF notices. (Minimum 60 day notice period required)	Employing Org Mgmt	T-2 months	T-2 months
Register any remaining unregistered employees in PPP. (Mandatory PPP Registration when in receipt of RIF notice)	Employing Org Mgmt, HRO and HRSC	T-60 to 55 days	T-60 days to 55 days