



**Newport News
Shipbuilding**

A Division of Huntington Ingalls Industries

Kesselring Site Contract Conclusion The Journey Continues

December 2019

What We've Done

- ✓ Announcement on July 31
- ✓ All Hands with Chris Miner & HR on August 9 and August 29
- ✓ Developed a Transition Package
 - ✓ Provided initial estimate of overall cost for retention, relocation and severance plans and received initial approval from the customer
- ✓ Established a communications webpage
 - ✓ Collected questions and posted a comprehensive FAQs page
 - ✓ Posted the severance and relocation plans
 - ✓ Set up an email inbox for additional questions
- ✓ Began One on One sessions with HR
- ✓ KS Management conducted an initial evaluation of manning needs according to key events and Schedule Revision



What Comes Next

- Finalize Rev E Schedule – 12/20/19
- Finalize Retention Plan
 - Resubmit to customer the refined cost estimate of the Transition Package based on our current plan and the initial manning evaluation provided by KS management.
 - Receive funding approval from customer for Transition Package.
 - Management to have conversations with individual employees about their work and the plan, and anticipated completion dates.
 - Distribute Individual Project Completion Agreements to each employee.
- Outplacement Services including:
 - One on One meetings with HR
 - Tips on Resume Writing, Interviewing and Job Search techniques
 - Notification of job fairs and networking events
 - Involvement of TSD, Quality and other HII networking
- Management to provide regular updates on pace of work completion (Schedule revisions)



Retention Bonus Framework

- Goal: To retain the project team through completion of ROH
- Who: All resident NY NNS permanent salaried employees
- How: Provide a monetary incentive
 - Each employee will get a retention date set by their management
 - Date is based on the ROH Rev E (Key Events) schedule & input from the employees
 - Retention agreements signed by the employee (~1st Qtr, 2020)
 - You will earn a % of your annual salary each month you are here during your retention period. The longer your retention period, the higher the incentive.
 - Accrual starts 1 January 2020.
 - Plan is for the early months to have a higher monthly %, gradually lower the monthly %, and eventually normalize the rate.
 - Retention bonus will be paid upon the successful completion of your retention period as certified by your manager.
 - Retention bonus will be calculated on your base salary at that time.
 - Retention bonus is separate and distinct from the severance benefit.



After the Retention Period

- A Transition Package will be offered to permanent salaried employees who remain working at the site until it is determined by management that their assignment has ended.
- People redeploying within HII:
 - We will work with you and your future division to set a relocation timeframe.
 - Included in the Transition Package: the project completion bonus, an offer of continued employment with NNS VA, relocation services.
- People not redeploying:
 - You will continue to be a NNS employee as long as there is valuable work that you can do. We will give employees as much notice as possible on their release date.
 - Included with this Transition Package: the project completion bonus, severance pay, as well as outplacement services.
- It is anticipated some employees may be offered an additional retention period that will have a separate bonus. This will be based on the skillsets of the employee and the needs of the ROH.



An employee signs the project completion agreement to complete specific duties and responsibilities for project key events.

Here is what happens if:

The employee completes the project assignment as scheduled, or earlier than scheduled.

A salaried, non-represented and permanent at KSO employee signs the project completion agreement agreeing to complete several duties and responsibilities due by June 15, 2020 specific to an ROH project key event.

His manager provides a written certification on June 10, 2020 that the project was successfully completed on May 31, 2020.

Even though the employee has successfully completed the assigned duties and responsibilities of the project *prior* to the anticipated completion date, he will be paid the full value of the bonus no later than July 10, 2020 (within 30 days of receiving written certification).



Here is what happens if:

The project assignment takes several additional months to complete.

An employee signed a project completion agreement agreeing to complete duties and responsibilities specific to the completion of project key event by the anticipated completion date of February 20, 2021.

On January 1, 2021, management makes the determination that the anticipated completion date will need to be extended from February 2021 to April 2021 in order to successfully complete the project key event. The new anticipated completion date is communicated to the employee.

On May 1, 2021, management provides written certification certifying that the work on the project has been successfully completed in April 2021.

The employee will be paid a project completion bonus based on completion date of April 2021 no later than May 31, 2021 (within 30 days of written notification date of May 1, 2021).



Here is what happens if:

The employee completes the original project assignment on time, and is asked to stay on to complete a second project assignment.

An employee started the original project key event on January 2020 with an anticipated completion date of November 2020 (11 months to completion).

The original project key event (Project A) is completed on schedule in November 2020. The manager provides written certification on December 2, 2020 and the employee is paid the first project completion bonus no later than January 2, 2021 (within 30 days of receiving written certification from management).

Another on-going project requires the technical skills of the employee in order for the project key event to be completed; therefore, management invites the employee to work on the new project key event upon completion of her current project key event in November 2020.

The employee signs a new project completion agreement to start work on a new project key event anticipated to be completed by December 2020 with an anticipated completion date of March 2022 (16 months to completion).

Again, the new project key event (Project B) is completed on time and written certification is provided by the manager on April 5, 2022. The employee is paid her second project completion bonus no later than May 5, 2022.



<http://www.huntingtoningalls.com/careers/kso-contract-conclusion>

EXPLORE THE HII NETWORK ▾

HII Stock: 1 Low: \$210.47 Open: \$211.12 T

INVEST



WHO WE ARE

DIVERSITY & INCLUSION

CAREERS

EMPLOYEES

NEWS & MEDIA

INVESTORS



Home | [HII Careers](#) | [Kesselring Site Operation Contract Conclusion](#)

Kesselring Site Operation Contract Conclusion

It was recently announced that Newport News Shipbuilding (NNS) will no longer be supporting the Kesselring Site Operation (KSO) post ROH. This website resource page has been established as the primary means of communication for employees affected by the announcement.

The **resources listed below** are intended to help employees affected by the announcement to make informed decisions concerning their future with NNS.

- [Contract Conclusion Message from Newport News Shipbuilding](#)
- [Transition Information](#) – presentation delivered on August 29, 2019
- [Relocation Benefits Summary for Renters](#)
- [Relocation Benefits Summary for Homeowners](#)
- [Frequently Asked Questions \(FAQs\)](#)
- [Severance Plan Information](#)
- [Severance Plan Benefit \(additional document\)](#)

For more information, or for specific questions please contact your Human Resources Business Partner or send an email to HRAssistance@hii-nns.com





Newport News Shipbuilding

A Division of Huntington Ingalls Industries