



DEPARTMENT OF THE NAVY
NAVAL INVENTORY CONTROL POINT (17055)
SUPERVISOR OF SHIPBUILDING, NEWPORT NEWS (23607)
FLEET AND INDUSTRIAL SUPPLY CENTER, NORFOLK (23511)

NAVSEA	NAVICP	SUPSHIP NN	FISC NORFOLK
Ser 5400	5400	5400	4400
Ser 04Z/009	Ser 87/069	Ser 100/010	Ser 050A/001
13 Feb 04	17 Feb 04	13 Feb 04	12 Feb 04

MEMORANDUM OF AGREEMENT
BETWEEN
COMMANDER, NAVAL SEA SYSTEMS COMMAND
AND
COMMANDER, NAVAL INVENTORY CONTROL POINT
AND
SUPERVISOR OF SHIPBUILDING, COVERSION AND REPAIR, USN,
NEWPORT NEWS
AND
FLEET AND INDUSTRIAL SUPPLY CENTER, NORFOLK

Subj: NAVSEA/NAVICP/SSNN/FISC NORFOLK MEMORANDUM OF AGREEMENT

Ref: (a) NAVSEA/NAVSUP/SPAWAR/NAVAIR 5400 Ser 00/295
3 Jul 2003

1. BACKGROUND: Reference (a) outlines the strategic direction and requirements of the transfer of Supervisor of Shipbuilding, Newport News (SSNN) material management functions to the Naval Supply Systems Command (NAVSUP). Reference (a) requires Nuclear Propulsion Plant material functions be the responsibility of NAVICP Code 87 and performed by Code 87 personnel geographically located at SSNN. As stated in reference (a), the guidelines for performing these functions will be carried out in accordance with a MOA between NAVSEA 04, NAVICP Code 87, Fleet and Industrial Supply Center (FISC) Norfolk, and SSNN. This document is the local MOA referred to in reference (a), and will be used as a tool to ensure all actions are taken to provide the best possible support of Nuclear Propulsion Plant components and systems.

2. GENERAL REQUIREMENTS:

a. A total of four billets, two billets each from SSNN and NAVSEA 04, respectively, will be transferred to NAVICP Code 87 to perform material management functions.

b. Funding: Compensation for the Partnership effort will be funded on a reimbursable basis from SSNN to NAVICP for FY 04. Compensation for FY 05 and out-years will be a budget based transfer. The following funding arrangements are agreed to by SSNN and NAVICP:

1) Labor funding. Reimbursable and transfer labor funding will be based upon the FTE baseline identified in this MOA. The baseline labor funding level shall consist of salary, fringe acceleration, awards, overtime, differential, special pay, etc. for the total

number of encumbered FTE transferred plus all vacancies created by attrition during CY 03 (from 01 Jan 03). Costs in FY04 will be prorated to coincide with the date of transfer and/or hire and will be escalated for actual federal pay raise percentage and increases in locality pay and fringe benefits.

2) All personnel entitlements and costs/liabilities (e.g. Federal Employee Compensation Act (FECA) and Workman's Compensation payments, FLSA litigation) associated with the transferred positions that were incurred prior to the transfer will be funded by NAVSEA. Funding for FECA costs/liabilities will be transferred to NAVICP as part of budget based transfer in FY05.

3) Non-labor Funding: For FY04 SSNN will continue to provide: Planned travel, planned budget, PC, LAN support and general supplies and will not transfer non-labor funding in FY04. For FY 05 and out-years, funding requirement will be detailed in the budget-based transfer NC-4. To the extent that SSNN continues to provide non-labor services to NAVICP Newport News Annex in FY 05 and out-years (after budget based transfer), such support will be reimbursably funded from NAVICP to SSNN. Out-year reimbursable services may include:

- i. Long Distance Telephone Toll Charges
- ii. Mail/Postage/FEDEX
- iii. IS Support (limited to USA Information Systems INC support, pro rated based upon usage)

c. FISC Norfolk Newport News Annex managers will assist in providing on-the-job training for NAVICP employees during the transitional period, anticipated to be six months after the hire and/or transfer date, whichever is later. Training plans will be jointly developed between FISC and NAVICP Code 87 managers.

d. NAVICP will perform all personnel management responsibilities for assigned employees. Input to NAVICP employee's performance will be provided to the NAVICP manager by FISC Norfolk Newport News Annex managers.

e. Personnel not assigned to NAVICP Code 87 but performing part time functions in support of Propulsion Plant material management will continue to perform those functions (e.g. peripheral support) under the direction of the FISC Norfolk Newport News Annex Director. These individuals will be required to interface with the NAVICP employees/managers as their job responsibilities dictate. Every effort should be made to communicate issues/problems, as they occur, to the resident NAVICP Code 87 employees.

f. Governing instructions that apply to the material management functions are NAVSEAINST 9210 (series), NAVICP INST 4710.2 and the ships specifications. These instructions will be used as guidelines for NAVICP employees when accomplishing daily tasks.

g. Any material management function policy/procedure/issue not addressed in reference (a) or this MOA and, where no other NAVSEA 08 policy exists, will be resolved by NAVICP Code 87, SSNN and FISC Norfolk Newport News Annex managers. Results of the agreed upon resolutions will be added to this MOA as they are determined.

h. Finance and accounting services will be provided by SSNN at no cost to NAVICP Newport News Annex for financial information and material accounting and bill paying functions as required in support of SSNN material operations.

i. Information System (IS) Services and ADP Support.

1) Current Services: SSNN will provide, at no cost to NAVICP Newport News Annex, the IS services and support that are currently provided during FY04. IS services for FY04 include: Access through SSNN LAN (Internet or Client server) to Real-time Outfitting Material Information System (ROMIS), ROMIS server support (hardware only and at the level provided to SSNN) LAN account per person, PC, Printers (up to the NMCI quota) Standard Procurement System (SPS), Contractor Integrated Technical Information System (CITIS), Configuration Data Management Database-Open Architecture (CDM-DOA), DAASC Automated Message Exchange System (DAMES), Outfitting Requisition Control and Accounting System (ORCAS), Technical Data Management Information System (TDMIS), and hardware/software support. SSNN will retain ownership of all equipment through FY04. NAVICP Newport News Annex will comply with SSNN IS requirements as identified in SSNN Activity Information System Security Plan (5239 series) instructions.

If SSNN does not transition to NMCI prior to 1 Oct 04, NAVICP will reimburse SSNN the NMCI seat costs, prorated for the time SSNN remains on the legacy LAN in return for IT support up to the amount transferred on the NC-4 financial document for NMCI. That support will be the same as the support provided in FY04 with the exception of equipment refresh. Equipment refresh will remain the responsibility of NAVICP. After NMCI conversion and if any legacy applications (written by NAVSEA CDA) are not certified to run on the NMCI network (quarantined), SSNN will provide legacy workstations and LAN support until those applications are certified to run on the NMCI network. These applications are ROMIS, CITIS, CDM-DOA, and TDMIS. SSNN will continue to maintain and operate the ROMIS server until that system is retired or rehosted by the CDA.

2) Conversion to Navy Marine Corps Intranet: NMCI Seats will be ordered by NAVICP. SSNN will reimburse NAVICP for FY04 NMCI seat costs if SSNN goes to AOR in FY04. For FY05 and out-years NAVICP will pay all NMCI costs as part of the budget based transfer. NAVICP will

order the required seats for NAVICP Newport News Annex personnel in the NMCI Order Entry System prior to Assumption of Responsibility (AOR) at SSNN. SSNN has registered Real-time Outfitting Material Information System (ROMIS), Standard Procurement System (SPS), Contractor Integrated Technical Information System (CITIS), Configuration Data Management Database-Open Architecture (CDMD-OA), DAASC Automated Message Exchange System (DAMES), Outfitting Requisition Control and Accounting System (ORCAS), Technical Data Management Information System (TDMIS), applications in the Information Strike Force (ISF) Legacy Applications Database Tool that are required by NAVICP Newport News Annex personnel to complete their functional mission. SSNN NMCI Assistant Contract Technical Representative (ACTR) will assist NAVICP ACTR as required in registering these applications in the ISF Legacy Application Database Tool and testing them in the NMCI Legacy Application Deployment Readiness Activity (LADRA) process.

j. Training.

1) SSNN will provide the following training to NAVICP Newport News Annex when and as required:

- a) SUBSAFE / Level 1
- b) Radiological Control (RADCON) Awareness Training

2) NAVICP Newport News Annex may request additional training courses that are being conducted at SSNN, such as general or mandatory training, including but not limited to EEO, supervisory, safety, security, sexual harassment, ethics, Standards of Conduct, DAWIA Continuous Learning, etc, at no cost to SSNN. Travel and other expenses for attending "no cost" courses will be funded by NAVICP. There is no intent to provide separate courses for NAVICP Newport News Annex personnel. NAVICP Newport News Annex personnel will be integrated with FISC Annex Newport News personnel. Other training courses requested by NAVICP Newport News Annex that are not listed above may require funding by NAVICP.

k. Video Teleconference (VTC) Access and Services. SSNN will provide the level of VTC access and services to NAVICP Newport News Annex personnel commensurate with that provided to SSNN personnel.

l. Vehicle Rental. SSNN and FISC will provide NAVICP Newport News Annex personnel access to GSA pool vehicles as required in support of NAVICP Newport News Annex mission requirements stipulated in this MOA.

m. Public Affairs. All press and media inquiries (responses) will be coordinated via FISC Norfolk/NAVICP/NAVSUP Public Affairs Office (PAO) and SSNN PAO.

n. Information, Personnel, and Physical Security. SSNN will provide personnel badging, security training and physical security for NAVICP Newport News Annex. NAVICP Newport News Annex personnel will safeguard SSNN badges, follow SSNN security procedures, and attend security training as stipulated in local SSNN instructions. SSNN will provide copies of security training attendance rosters for NAVICP Newport News Annex personnel to the applicable FISC Norfolk/NAVICP Security Office. SSNN will continue to perform security surveys and inspections of workplace areas occupied by NAVICP Newport News Annex personnel. NAVICP 87 will update security clearances and personnel investigations for NAVICP personnel, regardless of whether the clearance is required by SSNN or NAVICP.

o. Telephones. NAVICP will provide funding to SSNN for long distance telephone charges.

3. SPECIFIC REQUIREMENTS:

SUPSHIP Newport News will:

a. Ensure that a security vault to house the Navy Nuclear Propulsion Plant (NNPP) net is provided at the same location as the NAVICP Newport News Annex personnel.

b. Provide assistance when required to enforce current contracts that provide facility and services as required in the NAVSEA shipbuilding contracts:

1) NAVICP Newport News Annex shall continue to receive facilities support as outlined in the NAVSEA shipbuilding contracts which specify the following inspection facilities requirements in Clause E-6 of the applicable contract:

"The facilities to be provided shall be equal to those provided by the Contractor for his use for generally similar purposes, and shall include offices and related equipment; drafting rooms; convenient parking facilities; equipment for reproduction (copiers); and telephones connected to the Contractor's and local telephone system."

2) Additionally, equipment (e.g. facsimile machines, copiers, and shredders) sufficient to perform existing requirements will be utilized by NAVICP Newport News Annex and maintained by FISC Norfolk. Copiers will be maintained on SSNN maintenance contracts through FY04.

3) Safety and Environmental Support. SSNN Safety and Environmental Offices will provide OSHA oversight and support of NAVICP Newport News Annex operations and personnel, to include training requirements and other support as required to ensure regulatory compliance. All contact with OSHA regulatory agencies (OSHA, EPA, DEQ, HRSD, VDH, etc.) regarding matters occurring at SSNN will be coordinated through SSNN. NAVICP Newport News Annex will be expected to respond promptly and effectively when compliance action is required. NAVICP

Newport News Annex will be expected to comply with Navy/DOD/SSNN OSHE policies and will reimburse SSNN for costs of responding to Navy/DOD authorities concerning NAVICP Newport News Annex regulatory non-compliance.

5) Health Services and Personal Protective Equipment (PPE). NAVICP will fund required physical examinations (e.g., eye and hearing) for employees assigned to NAVICP Newport News Annex. NAVICP will provide PPE (e.g., safety glasses, hard hats, safety shoes) to NAVICP Newport News Annex personnel as required in support of NAVICP Newport News Annex mission requirements stipulated in this MOA.

6) Guard Mail/Postal Services. SSNN will provide guard mail/postal services for NAVICP Newport News Annex operations within SSNN occupied facilities.

7) Official Naval Message Processing Services. SSNN will provide Official Naval Message processing services for NAVICP Newport News Annex using the existing SSNN PLA, to include receipt and distribution of incoming NAVICP Newport News Annex messages and preparation and transmission of outgoing NAVICP Newport News Annex messages.

8) Parking. SSNN will provide parking space and parking support (decals, etc.) to NAVICP Newport News Annex personnel. NAVICP Newport News Annex employees will retain the same parking rights and privileges as SSNN employees, in accordance with applicable instructions/collective bargaining agreement.

9) Specialized Information and Services. SSNN will provide technical and legal libraries and services that provide limited reference information for specific purposes, as long as these references are generally available. FISC Norfolk/NAVICP shall provide special requirements.

NAVICP Code 87 representatives will:

a. Ensure 100% of Propulsion Plant COSAL (PPC) allowance material is received and loaded onboard prior to fast cruise.

b. Review the initial fill support requirements and initiate requisitions for all outfitting requirements designated as supply system furnished outfitting material at approximately 20 months prior to fast cruise for nuclear aircraft carriers and 36 months prior for submarines.

c. Ensure allowance appendix pages properly support any equipment changes not reflected in the Load PPC. Notify NAVICP Code 875 program managers of any changes taken to update the PPC immediately.

d. Forward receipt acknowledgement copies of shipping documents for prime contractor furnished material to the NAVICP Code 875 program managers as received by the ship or shipbuilder.

e. Submit discrepancy reports immediately to the NAVICP Code 875 program manager, when prime contractor furnished onboard repair parts or onboard spares are received damaged or not in agreement with the information [e.g., National Stock Number (NSN) component serial number, quantity shown on the accompanying shipping document does not agree with received material].

f. Report discrepant nuclear prime contractor furnished installed material via the "Trouble Record" procedure via the local Reactor Plant Contracting Office (further tracked by NAVICP 875 program managers).

g. Maintain current status on all PPC outfitting requirements for each ship. Submit status reports on all PPC outfitting shortages to the NAVICP Code 875 program manager and ships force 180 (supply system shortages only), 90, 60 and 30 days prior to the scheduled fast cruise date. Status reports on PPC shortages should be separated into reactor plant and steam and electric plant lists with shipbuilder, prime contractor, and navy supply system furnished material identified separately within. Every effort will be made by NAVICP employees to determine alternate NSNs. Where alternate NSNs are not available, procurement actions will be initiated by the NAVICP Code 875 Program manager.

h. Advise the NAVICP Code 875 program managers, NAVSEA 08H, and Assistant NAVSEA Technical Representatives, upon receipt of 100% of all propulsion plant allowance material.

i. Provide each ship with a list identifying the serial numbers of all prime contractor supplied 2S/X1 spare reactor plant components supplied as on-board spares during outfitting.

j. Advise the NAVICP Code 875 program manager of any repair parts provided that are subsequently used during construction to repair installed equipments. Local authority for issuance of PPC material from onboard repair parts does not include 7G or 7H COG material.

k. Ensure that sight validation of each component installed in reactor plant systems is conducted by ships force. If necessary, assist ship's force in conducting sight validation. Forward all completed validation aids to NAVICP Code 875 in accordance with NAVICP Inst 4710.2, and report all lost validation aids to NAVICP Code 87.

l. Conduct a 10% sample of steam and electric system component validation for shipbuilder reported configuration. Report findings to the NAVICP Code 875 program manager.

m. Provide NAVICP Code 87 a NSN listing of all excess PPC outfitting material within eight months after fast cruise of each ship.

n. Disposition all excess PPC outfitting material in accordance with NAVICP 87/NAVSEA 08 direction and provide NAVICP Code 87 a NIIN listing of all excess PPC material returned to the Supply System no later than eight months after ship delivery.

o. Ensure items identified as excess PPC are not actually the approved alternates for items listed as shortages under different NSNs or part numbers.

p. Ensure the shipbuilder:

- 1) Provides initial onboard repair part requirements in accordance with the ships specifications.
- 2) Provides adequate warehousing and onboard repair part stowage and load-out as required by applicable shipbuilding specifications.
- 3) Prevents outfitting material for each ship from being co-mingled in storage with material for other ships, in accordance with the contract.
- 4) Develops and maintains complete, accurate and separate asset records for PPC allowance items. Asset records for PPC material shall be kept separate from asset records for non-propulsion plant allowances.
- 5) Provides accurate and properly documented allowance material in the shipboard stock records.
- 6) Provides database files for Shipboard System initialization to the responsible activities that represents the PPC material on-hand and due in.
- 7) Reports all PPC excesses to the local NAVICP Code 87 program manager.

4. This MOA becomes effective upon signature of the respective signatories and will remain in force until modified by mutual consent of NAVSEA, SSNN, FISC Norfolk and NAVICP.



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FISC Norfolk CAPT L. V. Heckelman SC, USN 12 FEB 04



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