

Overview

2020 is starting off with demands and challenges in meeting the needs of our GSA client. We had a successful first contract year and we are looking forward to new opportunities. As we mentioned last month, there have been numerous changes on the team addressing 19 different changes including new hires, moves within the team, and staff taking on new tasks. All but two have made it through the security clearance process. We will hopefully be fully up to speed in the next 30 days.

We have had some troubles with our W2 distribution due to errors with the Quickbooks application. Deductions were incorrectly taken from your paycheck in the first part of 2019. The result of the erroneous deductions caused inaccurate salary reporting for the year as well as insufficient Social Security and Medicare taxes being withheld. We are working that diligently and will have the updated forms to you shortly.

CeleraPro's management team continues to be proud of the performance of the team, and appreciate everyone's commitment, support to CeleraPro, and the professionalism provided to each of our valued government clients. It is important that we respond effectively to the client's needs at all time.

The United Healthcare plan has been updated for each of the staff for 2020. Remember to review your coverage to make sure you understand the new year arrangement. Most of you stayed with your current plan, but a few did change their plans.

The Voya 401k is running smoothly. Be active in making sure your account meets your needs. We remind you that for 2020 CeleraPro has established a policy that assures all staff apply at

least \$50 per pay period of the CeleraPro contributions toward their retirement.

The first pay period of the year in January was a disappointing concerning timecard submittal. We did better on the second period. Let's keep that up. Ms. Ellen Hughes has worked closely with many of you to make this an easy process. Make this a focus each week and get the timecards submitted on time. Please continue to be responsive to her requests and remember to send time sheets to her at ellen@celerapro.com with copy to Chuck.

If you have any questions or comments, please continue to reach out to Ellen, Chuck, or Dr. Perini. Please remember that our commitment to the GTMs, being on-time, providing the needed support, being a team player, and supporting your staff teammates will continue to be our top priorities. Make yourself available when necessary. We recognize that the content of this Memorandum is often repetitive in an effort to educate new staff and to emphasize critical policies. We expect that you understand and are adhering to CeleraPro policies.

Corrected W2 Distribution

CeleraPro uses Intuit Quickbooks for payroll. For some unknown reason in the first part of 2019, Quickbooks erroneously deducted the CeleraPro contribution to your Medical and 401K from your salary. This error was identified by several of the staff upon receipt of the original W2s sent a couple of weeks ago in January. That information is appreciated, and we have been working with Quickbooks and a certified public accountant to make sure the information is correct before we distribute the updated W2 forms. This unforeseen error has resulted in the incorrect reporting of employee annual salaries as well as incorrect taxes. We will be reaching out to the staff to discuss the implications individually over the next week. First, the correction of this error is going to be an

unfortunate imposition on the staff. The deficient Social Security and Medicare taxes will have to be paid, but CeleraPro will arrange for that to be over a period of time. We know this will be very frustrating for you - Ellen and Chuck will work with each of you to find a payback period that works best. This was unexpected by CeleraPro, and we want to resolve this in the least burdensome manner possible. The W2Cs will be sent out in the next couple of days.

New Vacation Accrual Information

It is important that everyone understands the vacation accrual process that we started on January 1, 2020. Starting this year, continuing employees will accrue 4, 6, or 8 hours per pay period based on your vacation time available during the year. New employees will accrue a prorated portion of the 80 hours per year available to staff in years 1-5. This accumulation of hours will occur over 10 months to allow you to have full vacation hours for November and December. The correct accrual will NOT appear on your pay stub since Quickbooks accrues over 12 months. Your total should be slightly higher than shown on your pay stub.

You must request vacation hours in advance per our Handbook agreement of 3 days or less 30 days in advance and 4 days or more 60 days in advance. This policy is to give us time to find a replacement to fill-in during your absence.

CeleraPro permits staff to “Go in The Hole” (GITH) on vacation in the early part of the year prior to full vacation accrual. Maximum GITH permitted is 40 hours. Please review the Employee Handbook for details on our GITH policy.

Next Staff Meeting in March

The CeleraPro quarterly staff meeting will more than likely occur sometime in March 2020. We need to define a space that is available for the meeting. Since most of the staff have moved

from ROB to 1800 F St, we need to find a meeting spot. The potential meeting room needs to have room for 40 staff, capability to provide a computer hook-up, and provide a screen for a computer presentation. Let me know if you have a suggestion.

Retirement Benefits Policy

The CeleraPro retirement 401k plan is updated for 2020 to include a policy that requires SCA staff to contribute a portion of the CeleraPro contribution to their 401k. After applying funds to the employee’s medical benefit, and before applying remaining funds to other family members, the next \$50 will be deposited into the employee’s 401k, and then additional funds may be applied to the employee’s family members. The reason for this is that the Employee Retirement Income Security Act (ERISA), a federal law managed by the IRS and Department of Labor, has established rules that govern 401k retirement plans. The regulations do not work very well with SCA contracts, especially for small businesses. CeleraPro is unusual among small businesses in providing a 401k (which is better than the typical IRA provided by most small businesses). As a result, there are regulations that must be followed that require CeleraPro staff to have a minimum contribution to their 401k.

CeleraPro chose to provide a 401k to its employees rather than an IRA because a 401k provides employees with better options.

The 401k funds are maintained and recorded by VOYA with Ascensus as our plan administrator. If you have questions or something does not seem to be working correctly, you can contact VOYA at 866-865-2660. VOYA representatives will continue to be available to respond to staff needs.

Personal Announcements

Please let us know if you have any exciting news you would like to share with the team. Items such as births, birthdays, graduations, weddings, and other events can be included. This is purely voluntary but will help us get to know one another.

Recurring Messages

These reminder messages are provided for new staff and as a reference for all staff members.

Health and Welfare (H&W)

Business Benefits Group (BBG) handles our health and welfare accounts for medical, vision, and dental. If you have any other questions, you can reach BBG at (703) 385-7200. Premiums for the employee are paid through CeleraPro provided H&W funds. If after the employee's medical premiums are paid, and the next \$50 of H&W funds are allocated to the employee's 401k, remaining H&W funds may be allocated to employee family benefits. If these benefit premiums exceed the H&W funds, the remaining premium is paid through employee payroll deduction.

Telework

This is a reminder that telework is not a normal approved action for the team. Telework is only permitted for very special circumstances and only after coordination with the COR and GTMs and prior approval from Chuck and/or Dr. Perini. At this point in the process, it looks like there is space at 1800 F St. to support the work requirements of the CeleraPro staff. Please keep management aware of any questions, requests, or expectations by your GSA management. It is important that you be onsite for your support to the GTM. Some contractors (not CeleraPro) continue to abuse the telework policy. We want to make sure CeleraPro staff are fully apprised of the company policy. CeleraPro Telework policy is as follows:

- If the client approves telework for a day, you still need to get CeleraPro management approval. Do not assume telework unless management has given approval.
- CeleraPro's contract requires that staff work on-site at the customer location
- Telework is an exception and is not approved without a substantive reason (e.g. sick child)
- Telework must be approved in advance
- Telework is permitted during inclement weather following OPM closure guidelines
- (only if the employee has a laptop and can work remotely)
- If approved, telework is permitted one day at a time with program manager and COR approval in advance
- Staff that do not report to work at the customer site and attempt to use unapproved telework will be charged vacation time

CPARS Assessment

As a reminder, the Contractor Performance Assessment Report System (CPARS) has been put in place for the government to grade team performance. The entire staff is doing very well against the CPARS assessment of our performance. The items that they grade include reporting, staff recruitment, staff performance, staff availability (including sick leave, vacation, etc.) and work performance. Please continue to focus on excellence in all efforts.

SOP Development

We continue to refine and develop the Standard Operating Procedures (SOPs) for all staff functions. We are reviewing and updating all the SOPS for content and consistency. We will be working on the latest version of the content through and will be sending out the documentation for review. We want to make sure of the guidance and expectations of each

position, so these SOPs will be important as we move forward and bring new staff onboard. The information will provide each staff member an overview of their role and expectations. The SOPs will be continually updated as each of your roles and your GTMs expectation change. It is important that the SOPs provide the framework and content of the roles that each of you perform.

Payroll

IMPORTANT: Remember that the payroll can only run on-time when all time sheets are submitted. You can submit your time sheet on Friday early in the day to ensure that we have the information. For access to paystubs, use the link provided in the “Workforce” email or contact Intuit for help logging in at (800) 446-8848 (CeleraPro is connected to QuickBooks payroll}. Reminder that timecard submittal is on the 15th and last day of the month, while actual payday are on the 7th and 22nd.

LWOP Guidance

This is the ongoing reminder that LWOP is only available through prior approval from myself and/or Dr. Perini. If you use LWOP, you may need to pay a portion of the health plan premium out of pocket to make up for the lost wages. Important note: LWOP can only be used after sick leave and vacation options have been exhausted.

Vacation, Sick Leave, & Emergency

Again, a reminder that requests for vacation and sick leave need to occur as soon as possible. As demonstrated already on the team, backup coverage is a constant impact. We have updated the guidance per service centers. Everyone needs to be aware of the expectations concerning time away from the office. Requests for vacation time of 3 days or less must be made 30 days in advance. Requests for vacation time

of 4 days or more must be made 60 day in advance. Additionally, if you have extended sick leave that you know in advance of more than 2 days, please coordinate in advance with the Program Manager and Ellen. Make sure your GTM is in the loop and has let us know whether they need support.

If You Are Moving

If you are moving or planning a move, CeleraPro needs to know when and where. We have a standing requirement for a percentage of staff to live within a HUBZone. Due to this requirement, you must inform us of your new address 60 days in advance of a move.

The Small Business Administration has updated its policies regarding HUBZone residence as of January 2020. The new rule is that as long as the employee has lived in a HUBZone for six months prior to joining CeleraPro, and as long as they reside in a HUBZone for six months after being hired, the employee can thereafter be considered as a HUBZone resident as long as they are employed by CeleraPro even if they move out of the HUBZone.

Please keep us aware of any moves and be sure to let us know where you are moving well in advance of the change, so we can recruit another HUBZone resident if necessary. If you do not keep us aware of changes, it could have an impact on CeleraPro’s certification and your continued employment.

Time Sheets

Execution of the time sheet process was not good during the first week of January. Our last timecard process at the end of the month was much better. Please keep that up and get your timecard submitted on time.

Private Company Information

Be smart and keep internal CeleraPro information away from the workplace. Speaking negatively about CeleraPro, its policies, or about other company staff members should not occur at any time, especially within the workplace. We are a team and expect everyone to be proactive and mutually supportive of team efforts. If you have any issues or concerns, please address them to Chuck, Ellen, or Dr. Perini and we will respond rapidly.

Employee Handbook

CeleraPro is constantly updating and refining the content of the Employee Handbook. It is important that you keep that document available for your reference. All staff have been provided a copy of the document. If you have not received the latest version, let us know. This document contains guidance and policy requirements from CeleraPro. The Employee Handbook which will be a living document is updated as guidance and agreements change.

Three-Day Coverage Guidance

The contract permits you to be absent for up to three days without coverage for your position is required. After this period, unless your GTM specifically states otherwise, CeleraPro will provide a fill-in from within the CeleraPro GSA staff. The focus on back up coverage will be around the service centers. Make sure you know which staff members are on your service center teams. Everyone on the team needs to be available to help other staff with back-up when necessary. Our approach will be consistent with the agreements across the service centers and in agreement with the OFM management and COR. Please give as much notice as possible for all absences. CeleraPro needs to provide the GTMs with the best coverage possible. Every team member is

expected to provide back up support when needed.

Primary/Back-up Matrix

We continually update back-up roles and commitments based on service center changes and on new staff joining our team. Most of you are already aware of this process. If we need help outside your service center, make every effort to help. All staff are busy, but we are required to help support operational needs at other sites. Our focus currently is on back-up coverage only one day at a time. This would nominally occur on a Tuesday and Thursday. This results in minimal impact to your current position, but still gives required back-up coverage for your teammate. That will not always occur, but we will continue to focus in the direction.