

	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 1 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022
<b>TIMEKEEPING POLICY</b> Issued: 5/17/2017			

**Table of Contents**

<b>1.0</b>	<b>Purpose .....</b>	<b>1</b>
<b>2.0</b>	<b>Policy Summary .....</b>	<b>1</b>
<b>3.0</b>	<b>Scope .....</b>	<b>2</b>
<b>4.0</b>	<b>Definitions.....</b>	<b>2</b>
<b>5.0</b>	<b>Requirements .....</b>	<b>3</b>
<b>5.1</b>	<b>General Timekeeping Preparation .....</b>	<b>3</b>
<b>5.2</b>	<b>Timesheet Corrections .....</b>	<b>6</b>
<b>5.3</b>	<b>Manager and Supervisor Responsibilities.....</b>	<b>6</b>
<b>5.4</b>	<b>Disciplinary Guideline .....</b>	<b>6</b>
<b>5.5</b>	<b>ManagementPolicy Override.....</b>	<b>7</b>
<b>5.6</b>	<b>Training.....</b>	<b>7</b>
<b>5.7</b>	<b>Monitoring and Reporting.....</b>	<b>8</b>

**1.0**    **Purpose**

This Policy provides an overview of the requirements of New Constellis Holdings Inc., and its subsidiaries (“the Company) mandating accurate time recording utilizing any manual, electronic, and/or web-based timekeeping application(s). Labor costs are the most significant costs charged to our contracts and it is critical that the Company provide adequate controls to ensure the accuracy of costs charged to our customers. All Company employees are expected to contribute to the Company's efforts in this regard, exhibiting diligence in charging labor in accordance with this guideline.

It should be noted that in the course of business operations, terminology and references may vary slightly but for purposes of adherence to all policy and procedure stipulations and steps any differences do not constitute variations from direction. For example, a “timesheet” may also be referred to as a “timecard”; a “charge code” may also be referred to as a “charge number,” and so forth.

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 2 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

**2.0 Policy Summary**

All Company employees are responsible for accurately reporting all time worked in accordance with this Policy. Timesheets, invoices, scheduling system details, or any document used to track time worked (hereinafter “Timesheets”) are the source documentation for recording and distributing labor hours and costs by project, determining gross payroll for hourly employees, and may be the basis for invoicing our customers under certain contract types. This Policy must be complied with in full unless it conflicts with the requirements specified in a particular contract or by applicable law. Should an alternate treatment be necessary, approval for variance from published policy must be obtained from the Chief Financial Officer (CFO) (or delegated authority individual).

It is the responsibility of all employees to ensure the information contained in his or her Timesheet is accurate, and the work performed is correctly charged to the applicable project code. It is the employee’s responsibility to sign his or her Timesheet at the end of each workweek. It is the Manager/Supervisor’s responsibility to review and ensure employee(s)’ Timesheet is accurate, including, but not limited to, verifying hours worked, ensuring correct project codes used, and that all other applicable codes and information are accurate and complete. Should the employee have any questions or concerns about the correct information for recording time, he or she should work with their manager/supervisor to ensure accuracy.

**3.0 Scope**

This Policy applies to all Company employees.

**4.0 Definitions**

**Flex Time** – Flex Time enables full-time exempt employees to utilize a flexible schedule for time worked within the two-week pay period (standard 40 + 40 = 80 hours or greater) across Week 1 and Week 2 of the pay period. It does not matter which week has greater or fewer than 40 hours recorded if the two weeks taken together are equal to or greater than 80 hours. Flex Time is only permitted if enabled by the timekeeping / scheduling system and pay group to which the employee is assigned and exercised according to the Manager’s/Supervisor’s knowledge and specific guidance. See your manager/supervisor for any questions concerning your use of Flex Time.

**Floating Holiday (“FHO”)** - Floating Holiday as defined in Paid Leave Policy HR-014.

**Holiday** - Holiday as defined in Paid Leave Policy HR-014.

**Leave Without Pay (“LWOP”)** – Leave without Pay is a category of timekeeping that denotes time recorded by a full time exempt Constellis employee who is not receiving regular, periodic compensation, or pay, while actively employed by the Company.

**Paid Time Off (“PTO”)** – Paid Time Off as defined in the Paid Leave Policy HR-014.

**Workweek** – A workweek consists of seven consecutive 24-hour periods that equal 168 total hours.

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 3 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

**5.0 Requirements**

**5.1 General Timekeeping Preparation**

**5.1.1 Time Worked** – shall be recorded in the timekeeping / scheduling system assigned to the employee. At the approval of the Chief Operating Officer, employees may use paper timesheets that are submitted to timesheet administrator related to the contract for entry into the timekeeping system. In exceptional circumstances when access to the electronic or web-based application is unavailable, or not used for a specific program, employees are to record their time on a manual paper timesheet (e.g., Form FNDF-003) until such time that they can login to the timekeeping application normally used.

**5.1.2 Time Entry** – If entering time other than by timeclock or scheduler in which time is entered as incurred, employees must record all hours worked daily no later than 10:00 am Eastern Time (ET) the following business day. Holidays that fall on a Monday will be treated as a business day for this purpose.

Time should be recorded to the nearest quarter hour (i.e., 0.25, 0.5, 0.75, 1.0) unless required differently under the specific contract on which an individual is working.

Managers/Supervisors shall review and approve all employee timesheets no later than 12:00pm noon ET on Monday following the last day of the Workweek.

Employee’s time must be entered or recorded, submitted, and approved according to the Timekeeping Policy. Travel and paid time off do not count as extenuating circumstances for not complying with the policy

**5.1.3 Exceptions** – Except for scheduled time off (i.e., PTO and Holiday), for which employees would record their time in advance, employees must record hours on their Timesheet after they are worked and not prior to performing the work.

As an exception, employees may complete his/her Timesheet in advance at the specific direction of the Chief Financial Officer.

**5.1.4 Flex Time** – Exempt Full-time employees who are permitted to flex worked time across the two work weeks within the pay period, as defined in Section 4.0, must continue to meet mission requirements demanded within their designated roles. If enabled, the employee’s week 1 timesheet has been configured to be able to be signed and approved if it contains greater than, equal to, or less than 40 hours. The Employee’s week 2 timecard will then enforce that the total between Week 1 and 2 is equal to or greater than 80 hours. It does not matter which week has the greater or less than 40 hours if the two weeks are equal to or greater than 80 hours.

When Flex Time has been employed across two weeks, but hours must still be entered to achieve the 80 hours required, PTO or FHO must be entered into the timecard in the appropriate sections. However the distribution of charged hours occurs, PTO must be utilized to fill the gap between worked hours and the 80 hours

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 4 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

required for the two-week pay period. If any questions arise, consult your supervisor/manager for guidance.

**IMPORTANT:** To avoid failing an internal compliance or DCAA floor check audit, all employees who use the flex schedule must have a dedicated timesheet input for all days besides those designated as “Non-Workday” (a non-workday is any single day column that is shaded grey). **Employees who are not working on a designated workday (e.g., Monday – Friday) must enter “0” hours on their timesheets on that day to be excluded from the floor check audit employee selections and requirements.**

The following screenshots (*Fig.1 and Fig.2*) are references for Flex Time usage.

*Fig. 1*

Day	Charge Description	Project	Location	DLC	Day	Sun	Mon	Tue	Wed	Thu	Fri	Charge Totals
1	FIN Acctg Hingrs Seg1A2&3	GENADM FINANC ACT D 000	VA	R	4/25		10:00	10:00	10:00	9:00	9:00	48:00
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
Regular							10:00	10:00	10:00	9:00	9:00	48:00
Overtime												
Total							10:00	10:00	10:00	9:00	9:00	48:00

*Fig. 2*

Day	Charge Description	Project	Location	DLC	Day	Sun	Mon	Tue	Wed	Thu	Fri	Charge Totals
1	FIN Acctg Hingrs Seg1A2&3	GENADM FINANC ACT D 000	VA	R	5/2		8:00	8:00	8:00	8:00	0:00	32:00
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
Regular							8:00	8:00	8:00	8:00		32:00
Overtime												
Total							8:00	8:00	8:00	8:00		32:00

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 5 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

**5.1.5 Recording Leave Without Pay or LWOP** – In accordance with Fair Labor Standards Act (FLSA) regulations, employees designated as “Exempt” may only charge LWOP in full day (eight (8) hour) increments. For partial day charging, the employee must record PTO to equal eight (8) hours; if leave balance is or would become negative, use of PTO may require advanced approval by the employee’s manager/supervisor.

Eligibility for LWOP depends upon the terms and conditions specified by the contract or job duties to which an employee is assigned, as well as any active Collective Bargaining Agreements (CBAs). Employees seeking LWOP status should request the appropriate leave, such as FMLA or leave for military service, which must then be approved by the individual’s manager/supervisor.

Upon approval, the manager/supervisor shall forward the request to Human Resources Information Systems team, which is responsible for ensuring the employee retains an “Active” designation in the system, with applicable dates and leave type tags.

Timekeeping entries for employees with an approved work status of LWOP shall be made in accordance with all current system requirements and limitations. Time entries must be made for each day of a work week, with timecards signed, submitted, and approved at the close of each pay period. However, LWOP hours may be recorded in advance for a twelve (12) month period; Payroll will provide notification to employee and manager/supervisor when the periods are opened to charging of LWOP.

The requirement to track LWOP ensures that employee and contract records remain current within the Company cost and HRIS systems, e.g., DeltekTime. This also serves the purpose of ensuring that time charging remains below the maximum allotted number of hours for LWOP, as prescribed by the employee’s contract, Collective Bargaining Agreement (CBA), or Constellis PTO (leave) policy.

Your manager or supervisor will be able to provide specific direction for the correct documentation of LWOP hours, and both employee and supervisor are responsible for ensuring time is recorded accurately and timely. If an employee does not record time properly, it may result in a failed timekeeping “floorcheck” and violation of the Timekeeping Policy, resulting in disciplinary action.

## **5.2 Timesheet Corrections**

If a correction to a Timesheet is necessary, it is the individual’s responsibility to make the correction on his/her Timesheet. All Timesheet corrections require a written explanation. Additionally, all corrections must be approved.

On an exception basis, labor transfers and adjustments not recorded using a correcting timesheet may be made. Such transfer or adjustment must be properly documented and approved by the Chief Financial Officer (or CFO delegate).

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 6 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

### 5.3 Manager and Supervisor Responsibilities

Managers and supervisors who are responsible for approving timesheets must review each timesheet for accuracy and completeness. Specifically, timesheet approvers must ensure that the daily amount of time entered matches the specific time worked by the employee and is charged to the correct charge code. All timesheets that reflect hours not actually worked or that have other errors must be rejected. Managers or supervisors who are responsible for approving timesheets and who fail to review and reject timesheets will be disciplined consistent with the guidelines stated in Section 5.4.

### 5.4 Disciplinary Guidelines

The intentional mischarging of costs, including labor costs, to any contract, including those with the United States Government, may result in substantial criminal and financial penalties to the Company and to the individuals involved. Cost mischarging may result from the improper charging of labor costs on Timesheets or the improper accumulation or allocation of such costs.

Any infraction of time recording requirements including mischarging or inaccurately recording time worked, or approving a timesheet without carefully reviewing for accuracy, will be regarded as a serious matter deserving prompt investigation and will result in the disciplinary action, up to and including termination of employment.

### 5.5 Policy Exceptions (Override)

There may be circumstances that require deviation from normal processes described in this document to meet business requirements. In those instances, approval by the Chief Financial Officer is required.

### 5.6 Training

**5.6.1 New Employee Orientation** – All new employees are provided an overview of this Timekeeping Policy. Additionally, on-the-job training is provided by managers/supervisors and/or timekeeping administrators as needed.

**5.6.2 Refresher Training** – Online “refresher” training for the *Timekeeping Policy* shall be performed annually, in mandatory form through the Company’s LMS delivery tool, the completion of which is a monitored and measured component of the Company’s annual Employee Performance Review process. Classroom or on-line training may also be provided on an ad hoc basis. This refresher training reinforces the importance of timekeeping guidelines and rules for properly completing timesheets.

**5.6.3 Policy Updates or Changes** – When upgrades/updates to timekeeping systems impact the way in which timesheets are completed or change the timekeeping process, announcements and instructions will be sent to all affected employees and posted on Constellis intranet. If the changes are deemed significant by the Chief Financial Officer, additional training may be scheduled.

<b>TIMEKEEPING POLICY</b>	<b>Policy Level</b> Enterprise-wide	<b>Policy No.</b> FIN-001	<b>Page</b> Page 7 of 7
	<b>Department</b> Finance	<b>Version No.</b> 9.0	<b>Effective Date</b> 4/1/2022

## 5.7 Monitoring and Reporting

**5.7.1 Monitoring** – Financial Compliance, a functional group residing within the Finance Department, shall perform periodic compliance reviews of its timekeeping system to ensure compliance with the Company’s policies and procedures.

**5.7.2 Reporting** – Timekeeping requirements are included in the annual Company Ethics Training module, and all elements of the Company ethics mandates are applied to timekeeping at Constellis.

**5.7.3 Policy Violations** – Employees are required to report violations of this Policy directly to a manager/supervisor, the Chief Financial Officer, or through the **Company’s Ethics Hotline** via the web at [constellis.ethicspoint.com](http://constellis.ethicspoint.com) or by telephone at **1-844-637-6751**.

## RELATED DOCUMENTS

- Personal Leave of Absence Policy HR-013
- Military Leave Policy HR-011
- Family Medical Leave Act Policy HR-005
- Company-Directed Unpaid Leave Policy HR-023
- Paid Leave Policy HR-014
- Manual Timesheet FNDF-003

## VERSION HISTORY

	<b>Version</b>	<b>Version Date</b>	<b>Author</b>	<b>Description</b>
1	1.0	05/17/2017	Imran Ahmed	Initial version
2	2.0	9/27/2018	Imran Ahmed	Revision
3	3.0	12/19/2019	Michael Armbrrecht	Workweek definition added, clarification on Timesheet submission requirements.
4	4.0	2/28/2020	Michael Armbrrecht	Flex time definition and requirements added.
5	5.0	5/18/2020	Tess LeVan	Correction of timesheet entry/submission deadline
6	6.0	7/1/2020	M. Taylormoore	Detailing of discipline and addition of timesheet approver responsibilities
7	7.0	6/15/2021	T. Gantzler	Updated to reflect additional guidance for properly recording “Flex Time”
8	8.0	12/1/2021	T. Gantzler	Updated to reflect guidance for properly recording “Leave Without Pay” (“LWOP”) and other clarifications
9	9.0	3/1/2022	T. Gantzler, Sr Director, Internal Audit	Annual review performed; language updated for clarity and changes in business operations or terminology