



View from the Top

Mark N. Klett, KCG-INC President & CEO

It has been a very dynamic year for the company. We added a number of new resources and capabilities on our 2006 journey:

- Some very talented personnel to our team,
- New business in the great state of Texas,
- A new Headquarters in Virginia,
- New business opportunities with a NON-Profit in Africa,
- Have lead the Navy in the development of both an Open Architecture Track Manager capability and a the new Command and Control initiative for a Maritime Headquarters with Maritime Operations Center.
- Have physically supported DoD as far west as Hawaii and as far east as Bahrain with key personnel.

A lot of impressive accomplishments for a small company all due to the superb efforts of our terrific Team of employees and consultants – you are the ones that make it all happen. I am very grateful to the fine efforts of both Sector Managers: Tim Sorber and Joe Veneziano who have created new opportunities for the company over the past year. I would also like to recognize Mike Episcopo for his superb job in filling a variety of roles within the KCG organization which has earned him the recognition as KCG 'Employee of the Year 2006.'

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C4 & OA News and Information

By Kevin Merritt

KCG continues to be an integral member of the team developing the Maritime Headquarters with Maritime Operations Center (MHQ with MOC) concept development (CONOP) at Second Fleet. This effort has been completed and is being routed for signature by Commander Fleet Forces Command and then the Vice Chief of Naval Operations. The document represented a significant effort on behalf of the KCG team with Tim Sorber, Paul Danks, Mike Episcopo, Matt Streeter, John Mitchell and Kevin Merritt, all contributing to the final version. Bravo Zulu to all for their efforts rapidly incorporating significant fleet feedback to meet the aggressive deadlines.

Upon completion of the CONOPs, the KCG MHQ with MOC team switched gears and started working on developing the Maritime Operations Center Appendix. This document details fleet process for three and four star Naval Commanders and their staffs enabling them to function efficiently and effectively with the other military Services. Once again, Tim Sorber led the efforts of Paul Danks, Matt Streeter and Kevin Merritt to have the working draft published by the last week in September. They are on track to provide an initial version for fleet comment in November.

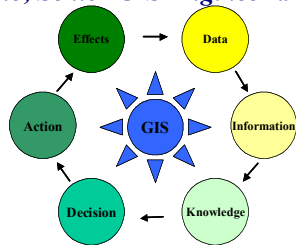
In addition, the MHQ with MOC team has also supported two critical meetings – MHQ with MOC Workshop #3 (11-15 September, San Diego, CA) and the MHQ with MOC Wargame (25-29 September, Newport, RI). The workshop allowed the fleet to develop processes for the Current Operations cell within the MOC. The Wargame, held the last week of September, brought together a team of over one hundred Subject Matter Experts with the ability walk through/test, under a real-life scenario, the processes that were developed in the previous workshops. Tim Sorber, Paul Danks and Kevin Merritt represented Second Fleet at all of the meetings.

On the horizon for the Second Fleet team is the next iteration of the MOC Appendix for the CONOPS. The MOC Appendix document is due to Second Fleet in time for the next Operational Advisory Group meeting in November. The Team will be focusing on the Collaborative Information Environment (CIE) and Human System Integration (HSI), since they were identified as key "missing" elements during the Wargame.

Work on the Open Architecture Track Manager program with General Dynamics has concluded. While there is more to do, no additional tasking has come to the KCG Team lead by Kevin Merritt and supported by John Mitchell and Matt Streeter. KCG continues to support GD management and looks for additional areas to support this vital work for the Navy and other Services.

KCG-INC GIS Sector News

Joseph Veneziano, Senior GIS Engineer and Analyst



Last time I discussed some basics about GIS and mentioned an upcoming opportunity for KCG-INC in the GIS world. I am happy to announce that KCG-INC has been awarded a contract with Family Health International, a global nonprofit international public health organization, to perform GIS development and analysis work for their public health efforts in Zambia and Rwanda. In addition, it looks like FHI will award work in a third country, Kenya, in November.

The project with FHI began in earnest November, with KCG-INC conducting a two-day informational seminar into the capabilities of GIS for use within the health care world. Training was conducted at the FHI offices in Alexandria Virginia. In addition, a third day was utilized on site to conduct a project workshop for basic developmental work pertaining to GIS health surveillance and program management products to be developed during the project.

The next two and a half months will be spent building geo-databases and data logic models to support the project. In mid-January, Mike Episcopo and my self will be traveling to Zambia, Rwanda and Kenya to conduct further in country operational training for FHI staff, to collect more information and verify the databases, and conduct in country briefings for the FHI Country Managers. It will be quite an exciting time!

If you are wondering how the current GIS work may dovetail into the rest of the KCG-INC technological expertise, consider this: GIS is a tool to turn data into information by spatially relating it to other data sets, then turning information into knowledge by using various spatial and temporal analysis techniques to produce products. Those products are then reviewed by subject matter experts in the field (our clients) to assist them in making critical operational and strategic decisions. Sounds familiar? It should – **GIS is a Knowledge Management Tool!** GIS will add a new capability for KCG-INC to assist our clients in creating the future.

KCG-INC's U.S. Army Reserve Support

KCG-INC has been awarded the first of five options years for our support contract to the U.S. Army Reserve to manage and provide engineering support services for their facilities throughout the south-central through southwest United States. KCG-INC employees in North Little Rock, Arkansas and Texas are involved with facility inspections, project planning and management, contractor supervision and Computer Aided design and technical drawing services.

News Flash...

July 2006 – We moved into our new headquarters! Our facility gives us a corporate feel and is a great place for our teams to operate, conduct meetings, and create the future!



October 2006 - KCG held an "Open Haus" in the spirit of Oktoberfest to show off the new office to our corporate partners, family and friends. Great food, great people and oompah music made for a wonderful time. A special thanks to Debbie Klett (Pictured below) who planned and orchestrated the entire event! Danka schoen, Deb!



WELCOME ABOARD:

KENDALL RASBERRY JOINS THE 90TH RRC TEAM IN LITTLE ROCK AS THE KCG COMPUTER AIDED DESIGN TECHNICTION.

LISA HAYNES JOINS THE KCG CORPORATE TEAM AT HQ AS OUR CORPORATE FINIACIAL ANALYST AND ACCOUNTING SYSTEM SUPERVISOR.

WE ARE EXCITED ABOUT HAVING BOTH OF THESE VERY TALENTED AND EXPERIENCED PERSONNEL ON OUR TEAM.

HR / SECURITY CORNER

SECURITY

When ever you insert your thumb (flash) drive into a computer that contains classified data, that thumb drive becomes classified and must be marked, handled and secured just like any other classified document or media.

SAFETY

This is the holiday season! It's time for celebration with family and friends. It's also time to be extra aware and be extra careful.

Please, designate a driver if you drink!

December and January - It's Christmas (and New Years)! Many celebrate too much. Watch yourselves and watch your six (be a defensive driver). Enjoy the holidays and come back to us happy, refreshed and in one piece.

Corporate Administrator: Mike Episcopo

HR/Pay/Benefits

Mike Episcopo is KCG's new Pay/Benefits/ HR coordinator. He can be reached at 757-721-5040 or at mike.episcopo@kcg-inc.net.

Retaining the Simple IRA at KCG

KCG has decided to maintain our retirement plan vehicle with the current Simple IRA plan in lieu of the 401(K) plan discussed in the last newsletter for next year. This decision retains the Simple IRA program while we consider timing required to eventually transition to a 401(K) plan in the future.

Flex Spending is Here

Beginning in CY 2007 KCG will initiate a Flexible Spending Account (FSA) benefit that will enable you better support medical and dental expenses easily and efficiently. More information will be posted on the KCG SharePoint site.

New Pay Periods

As you are aware, our pay periods have been adjusted to a semi-monthly plan. Pay periods begin on the 1st and 15th of every month. Pay is then processed and we get paid 3 days later (except if there is an intervening holiday or weekend). Don't worry, pay HAS NOT decreased! We just get fewer checks! See the corporate calendar for dates.

Personal Hours

Don't forget! Personal hours are earned as you work. They accumulate throughout the year (8 hours per quarter), but must be used prior to the end of the calendar year (31 December). Personal hours are "Use them or lose them!" Make sure you use them before they go away!

PTO, on the other hand, is retained and passes through to the following year.

Our New Address

**Klett Consulting Group, Inc.
2488 North Landing Road,
Suite 111
Virginia Beach, VA 23456**

**Phone: 757 - 721-5040
Fax: 757- 689-0123**

CREATING THE FUTURE



New Business Practice Update

In the last newsletter we discussed our transition to an enterprise resource planning tool that will enable KCG to adapt to the ever-changing business environment around us.

Currently, the Finance and Admin sector is busily making the hard effort to move our accounting and budget models into the new platform (DELTEC/GCS). Expectations are that this will be completed by the end of this calendar year. Kudos' to Lisa Haynes and Mike Episcopo for their supreme effort in this endeavor.

How will this impact you ??

With one exception this transition should be "invisible" to most. The exception is that we will transition to an electronic web-enabled timekeeping package, much like Time Force, to enable the transition. When this occurs, we will announce the plan and the Finance and Admin shop will provide you the requisite training and links to transition to the system.

As KCG grows, we are continually striving to build a stronger infrastructure. This means adapting to our environment and continually improving efficiency through data sharing and a reduction in data entry errors.

Policies & Procedures and the new Employee Handbook

The new employee handbook includes a wide variety of information about working for KCG including our benefit plan as well as corporate philosophy and how to handle harassment in the work place. When you receive your new handbook please ensure that you read it thoroughly and return the receipt page to the Corporate Administrator. More details will follow soon.

The Policy and Procedure manual is designed to make clear the correct manner in which to proceed when certain issues arise or when there are changes to existing policies and procedures. Some policies that we in the F&A Sector are currently working on are Travel, Timekeeping, Taking Time Off, as well as Security Procedures. The intent of this manual is to simplify your day to day life working within KCG-INC. If you ever have any questions pertaining to the manual once it is published or if you have suggestions as to policies and procedures that should be put into place please let the Corporate Administrator know. We are, as always, open to your feedback.

Both the Employee Handbook and the Policy and Procedure manual in conjunction with the ERP and QBM should serve to make KCG-INC an even more efficient company and our operations increasingly streamlined.

As we strive to build KCG's reputation in the contracting industry, it is vital that we provide our customers with excellent service. By adopting these new business practices, the Financial & Administrative Sector is doing our part by providing improved service to our internal customers. ♦

The Back Page

Some people say the funniest things!

"Please excuse Jennifer for missing school yesterday. We forgot to get the Sunday paper off the porch, and when we found it Monday, we thought it was Sunday." QuotationsPage.com

Days in History

October 1, 1908 - Henry Ford's Model T, a "universal car" designed for the masses, went on sale for the first time.

November 1, 1776 - Mission San Juan Capistrano was founded in California. Each year, the swallows of Capistrano leave their nests there around St. John's Day (October 23) and return the following year near St. Joseph's Day (March 19).

December 1, 1994 - The head of the U.N. commission on Rwanda estimated 500,000 deaths had resulted from genocide.

Quote of the Quarter:

“When you look at yourself from a universal standpoint, something inside always reminds or informs you that there are bigger and better things to worry about. “ Albert Einstein (1879 - 1955)

Birthdays

Special Days for Special People

Kenny Greenwell (3 Nov)

Cindy Frazier (13 Nov)

Ernie Cooper (18 Nov)

Catherine Klett (18 Nov)

Debbie Cooper (20 Nov)

John Mitchell (27Nov)

Mike Episcopo (30 Nov)

Anne McLain (27 Dec)

CREATING THE FUTURE



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Submissions are always welcome!