
NATIONAL Estimator

The Society of Cost Estimating and Analysis

Spring 2009

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NATIONAL Estimator



NATIONAL

Estimator

The Society of Cost Estimating and Analysis

A non-profit organization dedicated to improving cost estimating and analysis in government and industry and enhancing the professional competence and achievement of its members.

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President's Letter

By Bill Haseltine, SCEA President

Recently, I found myself thinking about the progress this Society has made over the past few years. Upon reflection, it's a bit hard for me to fathom so much change has happened in such a relatively short period.

First, the Society has experienced unprecedented membership growth. For many years SCEA membership stood at less than 1,200 members; our current membership has achieved the milestone of exceeding 1,800 members — a whopping 50% increase! Additionally, over 500 of those members have attained or renewed their CCEA (Certified Cost Estimator Analyst) certification. The Society has also experienced steady international growth, with members (many with CCEA certification) in the United Kingdom, Australia, Germany, Sweden, and Canada. We are encouraged, and a bit humbled, by the endorsement of SCEA as a recognized entity in the world-wide cost community.

Second is the development of the Cost Estimating Body of Knowledge (CEBoK), an effort led by **Peter Braxton** and his dedicated team with contributions from our members. CEBoK represents a significant expansion of our previously developed and widely accepted knowledge base, CostPROF. With a 35% content increase, CEBoK is a unique tool that provides a reference for cost estimating professionals in day-to-day work and serves as a guide to prepare for CCEA certification. Our Society's gains from CEBoK do not end there. It also provides a platform from which our future analysts can learn cost estimating and analysis techniques and tools for delivering better cost products throughout their careers.

In addition to improvements in our shared knowledge gained through using CEBoK, over the years, SCEA has strengthened the significance of our certification program. The work of the Certification Working Group, led by **Peter Andrejev** and **Kate Hiebert** and the continuing efforts of Board Members, including **Rich Hartley**, **Dick Coleman**, **Paul Marston**, **Carol Hibbard** and many others, has resulted in new certification standards and a new exam format to be unveiled in June 2009. We believe that this new exam will more accurately measure achievement in the cost estimating and analysis career field by requiring test takers to demonstrate mastery of the necessary skills and analytical techniques required of successful cost estimators and analysts. With the introduction of the PCEA (Professional Cost Estimator Analyst) credential, the Society is encouraging younger analysts to demonstrate their mastery of critical cost analysis skills too. In the future, the Board sees the next step in certification as the introduction of comprehensive specialty designations, including risk analysis,

parametrics use and tool development, defense acquisition, software estimating and many others.

Conferences and Workshops

We have seen steady growth at our national conferences, which provide SCEA and ISPA with a forum for world-class training and workshops featuring the knowledge and lessons learned of experienced professionals. Government and industry leaders participate as keynote speakers and panel members, and networking opportunities, as well as opportunities to see and try the latest in cost models and tools, are available. The 2009 ISPA / SCEA Professional Development and Training Workshop, in St. Louis, MO, should continue this trend.

The cost tracks organized by **Dave Graham** were well received at the November International Program Management Conference in Alexandria, VA (co-hosted with the PMI-College of Performance Management and the National Defense Industrial Association). Local chapters also have hosted successful one- and two-day training events. We look forward to expanding these local offerings through cooperation with our Chapters, by way of regional workshops, conferences, and symposia.

Corporate Sponsors

SCEA has been actively developing a corporate sponsorship program that is mutually beneficial — it encourages the endorsement of SCEA training and certification by corporate sponsors and expands their participation at annual conferences. In return, SCEA offers unique benefits to the member companies. We are in discussions with other organizations, but to date, our corporate sponsors include The Boeing Company, Lockheed Martin, Northrop Grumman Corporation, and Technomics.

R-E-S-P-E-C-T for the Cost Community

Through the efforts of Congress and many federal and international agencies, our profession is gaining much deserved visibility and respect for quality analysis. Along with visibility comes a responsibility for leadership, which SCEA is uniquely positioned to provide. Speaking for the Board and membership, I can honestly say we look forward to the many opportunities the future holds.

In closing, I thank the tireless efforts of our all-too-often under-recognized National Office staff: **Elmer Clegg**, **Erin Whittaker**, **Sharon Burger**, and **Joe Wagner**. Without their long hours and hard work, along with member volunteerism, professionalism, and dedication, SCEA's recent remarkable achievements would not have been possible.

Letter from the Editor

By Vicki Kitchens, National Estimator Editor



Those of you who may be reading *The National Estimator* for the first time, welcome and a warm hello to all of our membership! The Society of Cost Estimating and Analysis (SCEA) continues to be a leader and an invaluable resource for the cost estimating and analysis professional community. Our profession continues to thrive and our society, through its diligent work to provide training and certification opportunities, continues to offer education and networking events and serve as a counselor to all of us that are affiliated. Our chapters and membership continue to expand further into industry and government, with applications in commercial business areas and national defense. I would like to extend a special welcome to two new SCEA Chapters: Hampton Roads (located in the Virginia Beach, Norfolk, and Chesapeake area) and Mid-Atlantic (based around the Southern New Jersey, Southeastern Pennsylvania, and Delaware area). Thanks to all of you who have made contributions to the spring issue of the *National Estimator*. SCEA is a great organization because of the contributions from all of its members.

What's in this issue?


In this issue, we have a feature article by Dr. **Christian Smart**, Senior Parametric Cost Analyst, SAIC. Dr. Smart's article "Correlating Work Breakdown Structure Elements" asserts that a key aspect of cost risk is the correlation between the work breakdown structure (WBS) elements and examines the impact that design changes can have on how these elements are defined.

In addition to our feature article, we have updates on SCEA certification from Director of Certification **Peter Andrejev**, news from the "Training Corner" from Training Chair **Peter Braxton**, chaptering development and workshop updates from Chaptering Chair and 2009 ISPA / SCEA Workshop Co-Chair **Mike Thompson**; chapter highlights, and an extensive centerfold on the upcoming ISPA / SCEA Joint Professional Development and Training Workshop.

2009 Joint ISPA/SCEA Professional Development and Training Workshop

In closing, I would like to urge you to attend this year's Joint ISPA / SCEA Professional Development and Training Workshop in St. Louis, Missouri, June 2–5. Further details on this event can be found on the SCEA website (www.sceaonline.org).

Remember, this publication is a team effort, and we depend on your contributions. If you have suggestions for feature articles or recommendations for future issues, please feel free to contact me. I trust that you will continue to support and enjoy this publication. One final note, I would like to thank our Joint National Office staff, **Elmer Clegg**, **Erin Whittaker**, **Mandi Mitchell**, and **Sharon Burger** for they perform the real work to make this a great publication.



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SCEA CERTIFICATION

Director's Corner

By Peter Andrejev, Director of Certification

Certification matters! Just as SCEA is migrating to a more rigorous and comprehensive certification program, so too is the Defense Acquisition University (DAU). Since the early 1990's, DAU has managed a Business, Cost Estimating, and Financial Management (BCEFM) program, which has served as the only federally sponsored defense acquisition training program for those individuals involved in the cost estimating, budgeting, and financial management of major defense acquisition programs. While the BCEFM courses have been a solid cornerstone to a cost estimator's training, senior Defense leaders felt that creating a separate and robust cost certification program was critical to success. Therefore, on 22 December 2008, the Defense Acquisition University approved a separate Cost Estimating career field with its own training and certification program called Business-Cost Estimating (BUS CE).

Over the last several years, the Department of Defense has received significant criticism from stakeholders, including Congress, concerning cost overruns. Cost growth for some classes of major acquisition programs has

increased nearly 60% over historical growth rates, meaning programs can now expect 76% cost growth to their original baseline. These statistics highlight indictments on the Department's current cost estimating capability. Although the cost career field currently represents only 1% of the Defense Acquisition workforce, Congress and senior Defense leaders have recognized the impact of quality cost estimating on the success of any Major Defense Acquisition Program (MDAP). In fact, Congress acknowledged this reality with the National Defense Acquisition Act of 2007, Section 820, which specifically calls for the improvement in the quantity and quality of cost estimators. This congressional mandate combined with criticism from within the defense cost community, prompted a re-examination of the BCEFM curriculum.

Very much like the SCEA's Certified Cost Estimator/Analyst (CCEA) Program, DAU recognizes the critical need for a more comprehensive definition of the knowledge, skill and competency requirements for the cost workforce and ultimately a newly designed cost estimating training program. This new program focuses on the fundamentals of cost estimating and analysis, such as regression and cost risk analysis, statistics, operations and support (O&S) costs, software cost estimating and data collection and analysis. In addition, it combines classroom training with experiential learning. DAU's BUS-CE program, which will roll out on 1 Octo-



Embrace the Change

By Kate Hiebert, SCEA Certification Transition Team Leader

Since the announcement of the new SCEA Certified Cost Estimator/Analyst (CCEA) program, many individuals have expressed some anxiety and apprehension. Having closely studied the current exam and being intimately involved in the development of the new examination, I believe that those fears are unfounded.

In the current examination, the individual pass rate has remained consistently at 50%; the examination clearly favors some topics over others. Over the last several years, the Certification Working Group has put a lot of time, energy, thought, and resources into the redefinition and redesign of the CCEA program and examination. The ultimate result is a program focused on the knowledge and experience required to be a successful cost estimator and an examination that is comprehensive and relevant. In fact, in April and May, SCEA will administer the beta-version of its CCEA Examination, in which 100 beta-testers representing a wide cross-section of the cost community will not only attempt to attain certification, but will also be validating the examination's quality.

Beta-testing should reassure future test-takers that the ultimate CCEA examination will be fair and appropriately focused on the knowledge and skills that each experienced cost estimator needs and uses to perform his or her job to standard. In fact, the new CCEA examination has an associated CCEA Examination Preparation Handbook and Testable Topics List (both found on the SCEA Web site at www.sceaonline.org/cert/4train.cfm) and a highly aligned training tool, CEBok. Interested individuals and companies can order CEBok either via the SCEA Website or National Headquarters Office. Outlining expectations and aligning training yields two positive results: it should help improve the passage rate of test takers; and it should ensure that the examination is more meaningful for employers. Therefore, I encourage you to embrace the change. It will make us all better cost estimators.

ber 2009, requires increased years of experience, thus replacing the four year requirement for its Level III with a seven year requirement. Furthermore, DAU has developed a curriculum of cost essential courses that cover many of those areas found in SCEA Testable Topics list.

Not coincidentally, DAU and SCEA have both recognized the need for an improved training and vetting process for cost estimators, and are taking actions to

improve the overall abilities of cost estimators and analysts within their constituency. It is my fervent hope and expectation that our programs will not compete, but rather complement and/or provide reciprocity such that neither federal employees nor commercial contractors are disadvantaged in their access to world-class training and certification programs. If you have not already noticed, **Certification Matters!**

Certification Congratulations

Since the last issue of *The Estimator*, the SCEA certification examination was administered to 84 applicants. Of those, 41 applicants passed to become SCEA Certified Cost Estimators/Analysts. Congratulations for your hard work earning this important professional distinction as a CCEA!

Adegboyega Ajayi
Timothy Appleby
Dawn Arthur
Mark Battaglini
Richard Batten
Walter Bednarski
Raymond Caro
Yolanda Cobb
Kyle Colclough
Philip Dietz
Sheri Donnelly
Scott Fine

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Jeffrey Freemyer
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Hetal Petal
Scott Prestridge
William Russell
Christopher Sheng
Bryan Shrader
David Silvey
James Smirnoff
Justin Smith
Ryan Timm
Juan Venegas
William Wiltschiko

We also recognize the 21 individuals who have sustained their certification through the Recertification by Points Application Process since the Fall issue of the *Estimator*. Those individuals are:

Joseph Annunziato
Heather Austin
Charles Casserly
Denise Cline
Cindy Coon
Spiros Dennis Coutavas
Darrin DeReus
Scott Ewalt
Mike Kess
Gene Lowther
Alan Markell
Jane Oakes
Daryl Ono
Darrin DeReus
Thomas Sanders
Ann Schenk
Christian Smart
James Smith
Virginia Stouffer
John Vitkevich
Ed Weeks

Finally, a thank you goes out to all those who served the Society as a proctor for the Certification Examination, which took place in 19 locations since last September. Those who served in this vital capacity were:

Raj Agrawal
Tim Anderson
John Bates
Neil Blauvelt
Allison Converse
Sam Cooke
Tom Dauber
Steve Green
Pat Jacobsen
Bill Lueker
Paul Marston
Weland Mehar
Jeremy Mitchell
Rick Schwikert
William Shockley
Ann Sylvester
Sam Toas
Mark Toner
Tad Walls
Blaine Webber



Correlating Work Breakdown Structure Elements

*By Christian Smart, Ph.D.
Senior Parametric Cost Analyst,
Science Applications International Corporation*

A key aspect of cost risk is correlation between work breakdown structure (WBS) elements. A change in the design of one subsystem will impact other subsystems. For example, if the diameter of a launch vehicle increases, additional design work will be required for the structures subsystem, increasing cost for that subsystem. Since the diameter increases, the surface area will also increase, which will require additional thermal protection, which will increase the cost of that subsystem as well. Or a change in performance requirements for the entire system may lead to significant re-design for all subsystems, leading to across-the-board cost increases. These phenomena are captured in cost risk analysis through the application of correlation. If the cost model fully captures these effects, then the correlation is embedded in the analysis. However, in most models, including the NASA/Air Force Cost Model (NAFCOM), there are few, if any, functional links included. In this case, correlation between WBS elements must be assigned by the analyst to determine a correlation matrix.

Under-specification of correlation can lead to significant underestimation of cost risk. Figure 1 illustrates the impact of underestimating correlation on measurement of total system cost risk. The figure shows how much overall cost risk is underestimated if the user assumes zero correlation, but the actual correlation is higher. For example, if the analyst has a 30-element WBS and assumes zero correlation between all elements, but the actual correlation between WBS is equal to **0.2**, then total cost risk will be underestimated by 60%! Figure 1 also provides a good measure for default correlation, since setting the value to **0.2** covers most of the possibilities of underestimating risk, while setting it higher provides little additional benefit since it is at the “knee in the curve.” However, it is important to accurately model correlation when possible, rather than simply assuming a conservatively high amount of correlation between all elements since over-specification can lead to overestimation of cost risk.

Systems-level (also known as “below-the-line”) elements consist of those activities that support all hardware WBS elements and are often delineated into one or more categories, such as program management and systems engineering. These costs are often estimated as functions of total hardware cost. The hardware cost estimates are aggregated, and then, systems-level costs are estimated as a function of the total hardware cost. This equation often takes on a power law such as $Y = aX^b$, where X represent total hardware cost and Y represents systems-level costs.

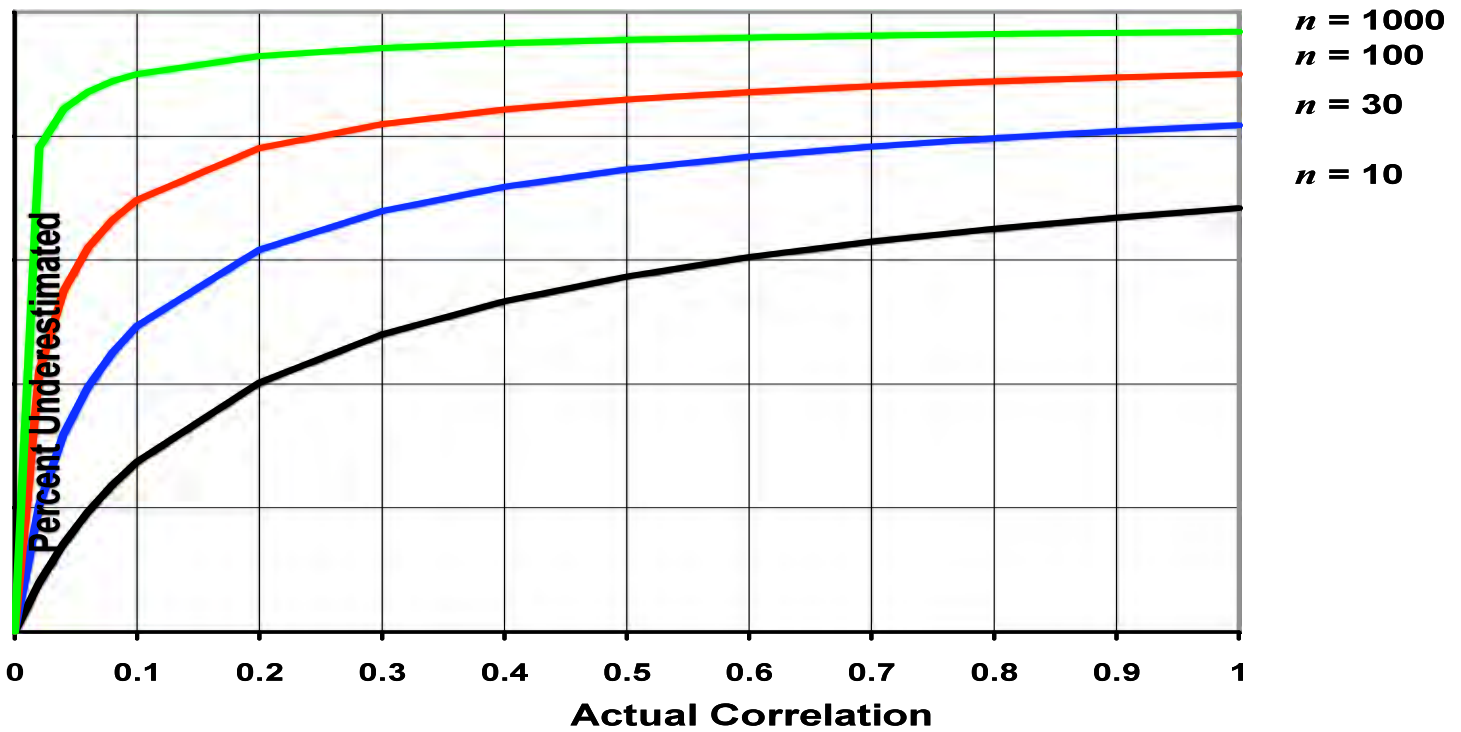


Figure 1. The impact of assuming no correlation on cost risk (Book 1997).

When $b = 1$ the power equation is linear. In this special case, $Y = aX$. If we denote the individual WBS element costs by X_1, X_2, \dots, X_n , then the system-level estimate for cost is

$$Y = a \sum_{i=1}^n X_i.$$

In this case, when the variances for each hardware element are equal, and the correlations between hardware elements are all the same, we can relate the correlation between individual hardware elements and system-level elements, i.e., $\rho(X_i, Y)$. That is, assume an n -element WBS with correlation between any two elements

$\rho_{X_i, X_j} = \rho$ and variance $\text{Var}(X_i) = \sigma^2$ for all $i = 1, \dots, n, j = 1, \dots, n$. Then by definition,

$$\rho_{X_i, Y} = \frac{\text{Cov}(X_i, Y)}{\sigma_{X_i} \cdot \sigma_Y} = \frac{E(X_i Y) - E(X_i)E(Y)}{\sigma_{X_i} \sqrt{\text{Var}\left(a \sum_{i=1}^n X_i\right)}},$$

which by algebraic manipulation can be simplified to

$$\rho_{X_i, Y} = \frac{1 + \rho(n-1)}{\sqrt{n + n(n-1)\rho}}.$$

Equation 1

For example, is $n = 10$ and $\rho = 0.2$, then

$$\rho_{X_i, Y} = \frac{1 + 0.2(10-1)}{\sqrt{10 + 10(10-1)0.2}} \approx 0.5291.$$

Note that even if there is zero correlation among hardware elements, hardware and systems-level elements are correlated at $1/\sqrt{n}$.

Also note that Equation 1 is a function of two variables: the number of elements in the WBS and the correlation coefficient between the variables. This relationship is graphically represented in Figure 2.



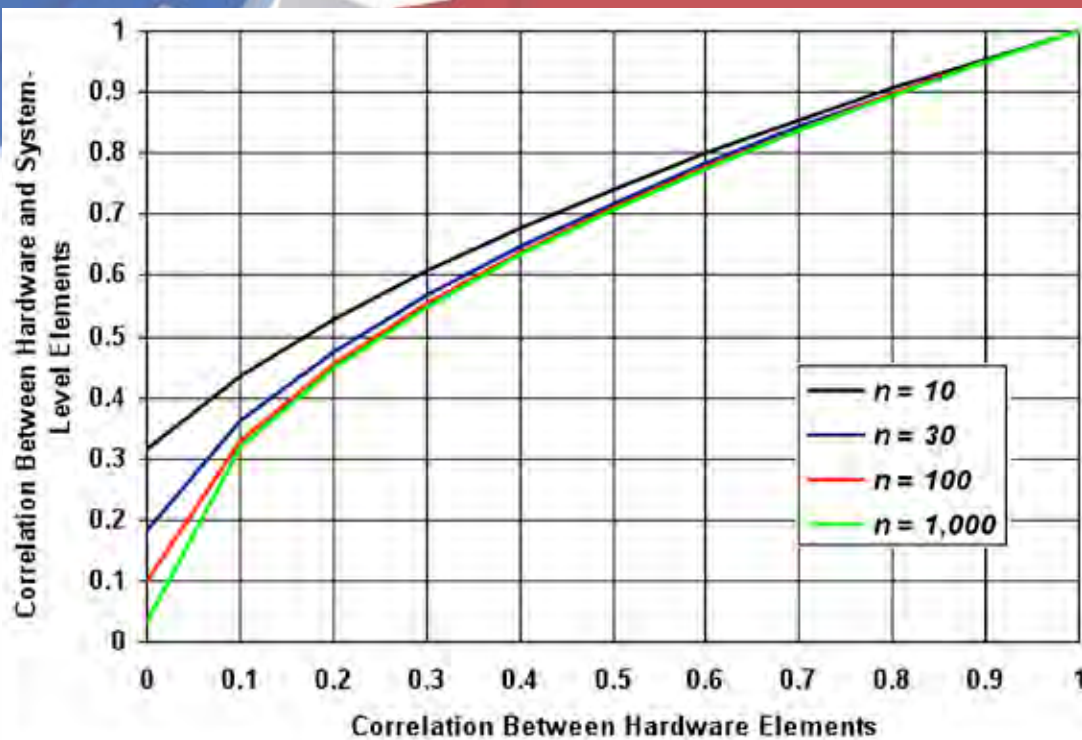


Figure 2. Relationship between hardware element correlation and hardware-to-systems level correlation.

As n increases without bound, Equation 1 appears to reach a limiting value as a function of ρ . Note that Equation 1 can be re-written as

$$\rho_{X_i, Y} = \sqrt{\frac{1}{n} + \rho \left(\frac{n-1}{n} \right)},$$

from which it is easily seen that the limiting value as n increases without bound is equal to $\sqrt{\rho}$. Thus for example is $\rho = 0.2$, then this limit is approximately equal to $\sqrt{0.2} \approx 0.4472$.

These equations give us a set of equation to use to calculate the correlation coefficients between the hardware and systems-level elements given the hardware element inter-correlations, in the case that the relationship is linear. However, in the more general power law case when $b \neq 1$, there is no such formula. Although the equations are not linear, if the correlation between the transformed variable X_b and X is approximately close to 1, as in most cases, then the equations will serve as good approximations.

We've covered correlation between hardware elements, and correlation between hardware and systems-level elements, but what about correlation between

systems-level elements? In the linear case, when systems-level cost estimates are of the form

$$Y = a \sum_{i=1}^n X_i,$$

it follows from the definition that the correlation between systems-level estimates will be equal to 1.0.

Thus there are three values to consider in developing a matrix of correlations for WBS elements: hardware-to-hardware correlation, hardware-to-systems-level correlation, and systems-level-to-systems-level correlation. Default values that can be used as a starting point are summarized in Table 1.

We have only considered the case when the systems-level elements are linear functions of the hardware costs. In the more general case, such as the power law $Y = aX^b$, with $b \neq 1$, these values can still serve as good approximations when the value of b is relatively close to 1, since there is close correlation between X^b and X over relatively wide ranges.

In conclusion, correlation is there whether you incorporate it or not — ignoring it can severely underestimate risk. Thus, correlation is an essential part of a credible cost risk analysis. Make sure to incorporate it. Even simple measures, such as the default value listed in Table 1, will work well in most cases and are much better than ignoring correlation altogether.

Table 1. Default correlation matrix values for a WBS.

Correlation Between	Default Value
Hardware-to-hardware	0.2
Hardware-to-systems-level	0.4
Systems-level-to-systems-level	1.0

References

- Book, S.A., 1997. Why Correlation Matters in Cost Estimating. *32nd Annual DOD Cost Analysis Symposium Advanced Training Session*.
- Smart, C.B. 2008. Integration of Cost and Schedule Risk. Space Systems Cost Analysis Group, Noordwijk, The Netherlands, May 2008.



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SCEA & ISPA Joint Office Operations

By Elmer Clegg, SCEA Executive Director

The quiet of winter has left Virginia and things are popping to life — spreading a feeling of newness all around. While there was nothing slow about winter in the National Office, there's lots of new and exciting progress to report.

Certification

It's rewarding to look back two years and view progress made in the transition from SCEA's legacy CCEA exam to the new PCEA/CCEA exam and certification program. Our investment in strengthening the program was perfectly timed with government and industry recognition of the importance of Cost Estimating and Analysis and the value of accredited professionals. The numbers show just how much acceptance the program is receiving.

In 2008 the certification exam was offered to 160 applicants in 40 locations. That was a 20% increase in volume over 2007 and a major increase over the prior five-year average.

Thus far in 2009 we've had 30 people sit for the exam through February with another 70 scheduled in April/May. May is the deadline for retaking portions of the legacy exam. Starting June 1, 2009, the new PCEA/CCEA exam will be required for certification.

While the legacy certification process is approaching end of life, launch plans for the new PCEA/CCEA have proceeded. Visit the SCEA web site for details and qualifications for the new program and to download an application or reference material. Also posted on the web site is a new set of Recertification qualifications.

The new PCEA/CCEA exam will be beta tested starting in April. 98 qualified applicants, representing a range of experience levels and a breadth of organizations, have been accepted to take the exam. Results and feedback will aid in finalizing the exam for its first public release in June 2009.

The number of CCEA credential holders recently surpassed 500, and the increase in the number of CCEA holders in 2009 will be the largest SCEA has ever seen.

CEBoK™

SCEA's new "Cost Estimating Body of Knowledge" has been officially launched. It is the culmination of a two-year development contract by Northrop Grumman to partner in producing this much enhanced training and professional reference system as a successor to CostPROF. SCEA holds trademark to the CEBoK name and copyright to the product content.

A pre-release version of CEBoK was available in February to those preparing for the PCEA/CCEA beta exam and orders for general release v1 are now being fulfilled. Special upgrade pricing is available to people and organizations with CostPROF licenses who wish to take advantage of CEBoK's expanded content and enhanced utility as a cost estimating reference resource.

Membership

SCEA's membership continues its dynamic growth. The current count of 1820 members represents an increase of 175 over the past year. The current growth is being driven by certification, a range of new organizations, and a number of new locations. Clearly, the breadth of SCEA's market reach is expanding.

Mike Thompson is our new Chaptering Chair and his introductory article appears in this issue. Mike has been assisting start-up of SCEA's two newest chapters; Hampton Roads under the leadership of Brian Bazil and Mid-Atlantic under the leadership of Jonathan Nickerson. Mike and I have agreed to work closely this year to improve assistance to new chapters and provide new processes and initiatives to aid all of the SCEA Chapters.

IT Advances

Our latest IT initiatives have produced two new capabilities for Chapters and National Board members. The first is a notification that goes out to a Chapter President whenever a new member registers and selects chapter assignment. This process allows the chapter to reach out to new members on a timely basis.

The second IT advance is a capability allowing National BoD members and Chapter Officers to search for

a specific member's contact data and to pull listings by chapter or by company/organization. This will aid chapters in staying current on membership without having to request us to pull database listings.

Another development initiated by SCEA President, **Bill Haseltine**, is the opening of a networking/discussion group on LinkedIn. Just initiated in March, the group already has 100 members. This site provides an excellent area for seeking advice, sharing articles, and posing questions for discussion.

Cost Estimating Career Center

The number of resumes posted on the Career Center has grown to over 100. A benefit of ad placement on the Career Center is that employers gain immediate access to that pool.

Journal of Cost Analysis and Parametrics

The second 2008 issue of the *Journal* was mailed to members in December. **JCAP** is a collaborative effort between SCEA and ISPA. Papers may be submitted to either Co-editor **Tony White** or **Steve Book**. Their contact information is available on the SCEA web site. Publishing in a peer-reviewed journal such as *JCAP* is a great next step for someone who has presented at a conference. It is also an ideal way to gain points towards recertification. The Jointness Committee is also exploring engagement with a commercial publishing house to broaden the reach and distribution of the joint journal.

Conferences

The 20th Annual IPM (Integrated Program Management) Conference, conducted jointly with the PMI Col-

lege of Performance Management and NDIA, was held in November and attracted over 700 attendees. It was an outstanding program and the array of speakers featured keynotes from Lockheed Martin, FAA, and Raytheon. SCEA Board member **David Graham** chaired a highly rated Cost Track that was well attended.

The ISPA/SCEA Joint Annual Conference has been renamed the 2009 Joint Professional Development and Training Workshop to emphasize the true nature of the gathering. This issue contains details on the event scheduled for June 2 – 5 in St Louis.

The Joint Office Staff

With all of the growth and new initiatives, the past year has been a challenge for the office staff and we anticipate more of the same over the course of 2009. Erin Whittaker continues her outstanding work providing membership services, ISPA support, conference planning, and publishing. Sharon Burger's workload on Certification and Recertification has greatly expanded with the volume generated by the Certification transition and her continuing accounting work. We are fortunate to have the part-time support of Joe Wagner to assist Sharon on Certification applications and test grading as well as undertaking some new finance initiatives. With our expanded membership, heightened interest in certification, and the growing response to CEBok, you can imagine that the phone calls and emails are coming at a much increased pace. We are committed to provide a high level of responsiveness and support to you, our members, and we appreciate your positive and constructive feedback.



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For more information, contact Elmer Clegg at 703-938-5090, or elmer@sceaonline.net.



Training Corner

By Peter Braxton, Director of Training, Peter.Braxton@ngc.com

CEBoK is here!

SCEA is pleased to announce the official arrival of the Cost Estimating Body of Knowledge (CEBoK) version 1.0, but before we bring you more information on CEBoK, let's take a few moments to recognize a key partner who helped us get there.

UK MOD CAS Training

Under the leadership of **John Fairclough**, **Keith Lewis**, and **Tim Salvage**, with support from **Angie Legg** and **Shauna Mulgrew**, the Cost Assurance Service (CAS) group within the United Kingdom (UK) Ministry of Defence (MOD) Defence Equipment and Support (DE&S) organization have continued to pursue an aggressive program of training and certification for their analysts to meet the cost estimating and risk analysis challenges of the 21st century. Since my last writing, they have conducted two additional week-long boot-camp courses, which I had the distinct honor and pleasure of co-teaching with my colleagues **Dick Coleman** and **Bethia Cullis**. These courses were their third and fourth overall and were held 17–21 November at Windermere in the Lake District and 19–23 January at Bournemouth on the English Channel coast, respectively. They represented the first comprehensive beta testing of the new CEBoK curriculum, which had the mutual benefit of offering CAS the “latest and greatest” content and providing SCEA with feedback on the materials in a live training environment. Both parties were delighted with the outcome. UK MOD continues to climb the ranks of SCEA members, both certified and overall, and we look forward to a long and fruitful partnership, perhaps even soon a UK chapter of SCEA!

CEBoK Overview

You've been hearing about CEBoK for a while now, and we hope you're as eager to get your hands on a copy as we are to make it available to you. CEBoK is built on the solid foundation of the Cost Programmed Review of Fundamentals (CostPROF) materials, but it is really so much more. First and foremost, as the name implies, CEBoK is a body of knowledge, capturing the essential principles, concepts, and terminology for practitioners of cost estimating and risk analysis. By expanding on the acclaimed CostPROF, which has been time-tested in multiple conference, corporate, and third-party training engagements, and incorporating suggestions and lessons learned from those training events as well as the latest research and policy, CEBoK is the most comprehensive encapsulation to date of the platonic ideal of the cost estimating and analysis body of knowledge.

CEBoK is still designed to be used as a training curriculum, for exhaustive (and exhausting!) boot camps, summary lectures, topic-specific workshops, or self-study, and with its new integrated features, it lends itself even better to in-depth exploration of topics. Perhaps many of you are motivated to use CEBoK as a test preparation resource to prepare for the new Professional Cost Estimator/Analyst (PCEA) and Certified Cost Estimator/Analysis (CCEA) examinations being rolled out by SCEA in June 2009. Because those exams were developed from the same detailed outline across 16 topic areas as was CEBoK, CEBoK represents the best available test prep and is much better aligned with the new exams than CostPROF was with the old certification exam. Finally, CEBoK is not just something you go through once in a training course or to prepare for a one-time exam, but rather it is a desktop reference that will repeatedly come in handy in your day-to-day project work.

Cost Assurance Service group within the United Kingdom Ministry of Defence Windermere



The bottom line is that CEBok is the single most comprehensive cost estimating and analysis resource available today to you, the cost professional.

As demonstrated convincingly in the graphic (see Fig. 1), CEBok has considerable breadth and depth. The new body of knowledge outline has more than seven times the number of topic line items as the previous listing on the SCEA website. There are more than 40% more slides in CEBok, each with comprehensive speaker notes, and the number of cross-links has more than doubled. The number of student exercises has increased by more than a third, and the solutions key has been added for each. We increased the number of references almost five-fold, most notably in the area of professional papers, which tend to capture the most recent and relevant research in the field, and consolidated them into the bibliography database. About 500 new terms were added to the glossary, focused in the area of core knowledge. The breakouts of slides by type and degree of revision, resources by type and terms by category help give you a sense of the richness of the content as well.

Together, CEBok's content and features *tell* you what we're going to tell you, *teach* you those topics, allow you to *teleport* to additional or related material, *test* your knowledge, *tantalize* you with additional resources, and *translate* the sometimes-confusing terms and acronyms.

I personally thank all those who provided review comments to help improve CEBok before its official release. As previously mentioned, the UK MOD CAS course attendees were invaluable in pointing out where the clarity of the Core Knowledge sections could be improved and in checking the student exercises and solutions keys for accuracy. The Technomics review team showed deep commitment commensurate with their recent announcement as a SCEA Corporate Sponsor, and Rick Collins, Jeff Cherwonik, Mike Gallo, Paul

CEBoK by the Numbers

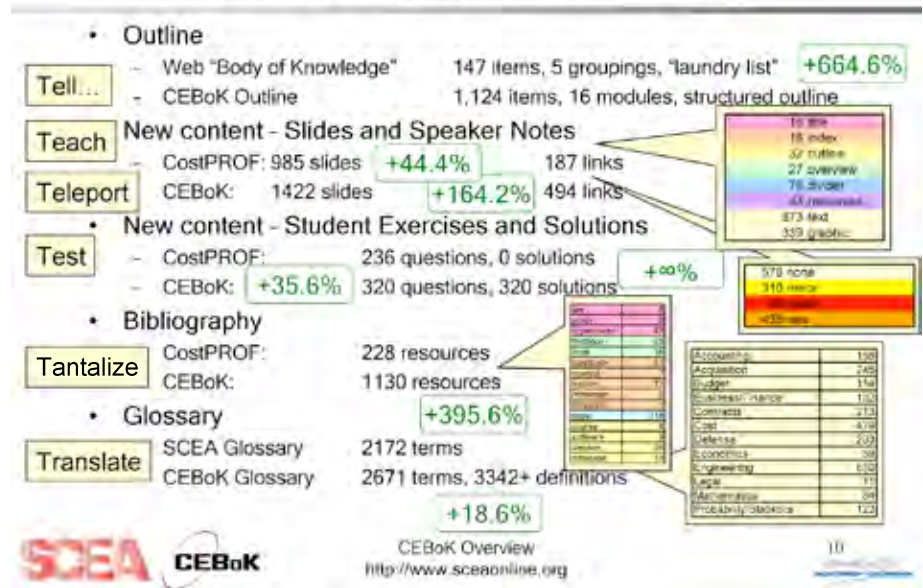


Figure 1.

Hardin, Mike Jeffers, William Laing, Brian Oceau, Jack Smuck, and Jim York provided thorough critiques of individual modules in their respective areas of expertise. Finally, thanks to CCEA exam beta testers Donnie Hustrulid, Laurette Sullivan, Paul Pinkowski, Dennis Rackman, and Tomeka Williams, who took time out of their busy studying regimen to provide feedback.

If you'd like to know more about CEBok, an overview briefing is available through your chapter president or the National Office. As always, stay tuned to the SCEA website for all the latest on the CEBok rollout!

Chapter and Corporate Training – Stories Wanted!

Do you help lead a training program for your chapter or company, such as the program described in "Alabama — Proven Model for Success" on p. 16 which highlights the approach taken by the Greater Alabama Chapter? If so, contact me — I'd like to feature your story in an upcoming "Training Corner."



Cost Assurance Service group within the United Kingdom Ministry of Defence Bournemouth



Professional Development & Certification Training at the Chapter Level

By Elmer Clegg and Sam Cooke

Professional development and certification of its members are cornerstones in SCEA's mission to improve cost estimating and analysis in government and industry.

At the national level, professional development training and certification exam preparation are major components of our annual conferences, and SCEA is about to accomplish the milestones of launching both a new, 2-level Certification Program (PCEA and CCEA) and a new cost estimating training and desktop reference system (CEBoK). These developments truly mark 2009 as a year of new standards for the cost estimating and analysis profession, and they present ideal opportunities for chapters to deliver increased value to our membership at the grassroots level.

The **Greater Alabama Chapter** in Huntsville stands out as a leader in classroom training for professional development and certification. Here's how **Dr. H. Samuel (Sam) Cooke**, current Certification Director for the Greater Alabama Chapter, and former Chapter President, describes their route to success:



Sam Cooke,
Certification Director,
Alabama Chapter

Alabama — Proven Model for Success

History and Organization

The SCEA Greater Alabama Chapter has grown through new initiatives undertaken since its inception. One major initiative was the institution of the formal classroom certification program, which was developed by leaders of the chapter at SCEA's formation in 1990. One of the first steps in making the certification program successful was to establish a permanent Chapter Board position, Certification Director, responsible for planning and executing annual certification training sessions and closely supporting and coordinating with the Chapter Director of Education. With Board-level support, the planning and framework for classroom training became a high priority for reaching the local community of cost, budget, financial, program management and engineering personnel within DoD, NASA and private industry. As classroom training became a priority, the chapter identified two goals that it continues to strive for each day — to further the professional development / training in cost estimating and analysis and to prepare professionals for SCEA Certification.

The Concept of Faculty

Many professional societies establish Chapter-level training to help members gain certification, but they struggle to find persons willing to teach a module critical to preparation for certification. The Greater Alabama Chapter has avoided this problem by establishing a permanent faculty of highly qualified practicing cost analysts who enjoy transferring knowledge. By design, membership on that faculty has become a sought-after honor. The chapter conducts seven annual training sessions with a faculty member teaching a module in their chosen expertise for each session. That faculty member is responsible for updating power point charts, problems, and answers each year, in coordination with the Certification Chair. Each faculty member holds a current CCEA and is independent of the Board. The chapter has six permanent faculty members and has identified two additional faculty members to be added next year. The additional faculty members will understudy with a permanent faculty member in their particular module for two years, (i.e. attend two sessions in which they will observe only), prior to taking on the responsibility of conducting a training session the third year. These faculty members will have attended chapter training sessions, passed the CCEA examination, and demonstrated a passion for transferring their knowledge to future session attendees. By maintaining these high standards for instructors, the Greater Alabama Chapter ensures that both attendees and faculty members get the most out of this rewarding experience.

Execution and Follow-through

A faculty member's job does not end when the session is over. Throughout the year faculty members are contacted by previous training session attendees for guidance and insight into various cost estimating/analysis concepts and or problems. The time and effort the faculty members put into leading the training sessions, working with past or future attendees, and co-ordinating with the Certification Chair, can total up to 60 hours annually. This level of commitment is evident in the Greater Alabama Chapter as year after year a core group of passionate, certified professionals continue their dedication to passing on expertise to the next generation of cost analysis leaders.

The Greater Alabama Chapter has truly established a legacy of "focus on the profession" through its commitment to training and certification. Through this focus the chapter continues to grow and attract new, younger members with the lessons of a lifetime being passed to the next generation of estimators and analysts. Chapter membership now stands at 98, with 29 of those members currently holding CCEA credentials. The chapter recently completed its 2009 Cost Analysis and Certification Training Sessions with a total of 45 people participating and an average attendance of 26 per session across the seven-session program. The chapter also uses the program as a way of developing new analysts and attracting new members, and this year reached out to new industries of automobile manufacturing, banking, and education. From this year's training program, five attendees will have tested for certification under the current April CCEA exam and four are scheduled for beta testing of the new certification exams. Among the 17 SCEA Chapters, and without a megalopolis to draw upon, the Greater Alabama Chapter ranks fifth in chapter size and ranks third in number of members certified; quite a testimonial to both the founding and current chapter leaderships.

SCEA salutes Dr. **Sam Cooke** and his faculty for the 2009 Training Sessions – **Stacy Houk**, Dr. **Christian Smart**, **Denise Cline**, **George Cash**, and **Barbara Stone-Towns**.

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Technomics plays a major role in support of SCEA. President Bill Haseltine congratulates Technomics CEO Rick Collins during a visit to Technomics Headquarters in Arlington, VA.

Welcome Technomics! SCEA's Newest Corporate Sponsor

SCEA welcomes Technomics, Inc. as its fourth and most recent Corporate Sponsor. Technomics joins The Boeing Company, Lockheed Martin Corporation, and Northrop Grumman Corporation in declaring the importance of Cost Estimating and Analysis to its short- and long-term business success and committing to advancing the professional competence of its employees involved in the practice. Through the Agreement, Technomics endorses SCEA as a preferred professional society partner, adopts the Certified Cost Estimator / Analyst (CCEA) Program as a recognized standard of professional competency, and encourages its employees to be active members and participants in SCEA, both nationally and at the chapter level.

Announcing the new alliance, **Bill Haseltine**, SCEA President, said, "I'm particularly excited about welcoming Technomics to the program because it demonstrates that SCEA is aligned with organizations of all sizes who have demonstrated influence in the cost community. SCEA's mission is much about raising the level of the cost estimating profession, improving skills and competence of our members, and striving for continued improvement of results across both industry and government. We will continue to form alliances with organizations from both industry and government who are committed to the same purposes."

An employee-owned consulting firm with a strong foundation in weapons systems cost estimating and research, Technomics has enjoyed consistent growth over the past decade serving OSD and the military services. Among their recent achievements, Technomics plays a major role in support of the OSD PA&E Defense Cost and Resource Center (DCARC) in compiling and validating contract cost data across all major defense acquisition programs. The product of this effort — reliable data for completed contracts — will provide future generations of cost analysts with the key ingredient for credible cost analysis.

Rick Collins, Technomics CEO, describes his corporate vision as "raising community of practice standards through honest, innovative analysis that produces realistic answers, advances the state-of-the-art and serves as a benchmark of excellence." As part of their commitment to the community, Rick and the Technomics staff have made major contributions of time and expertise to SCEA's development efforts for CEBoK and the new certification standards and exams. In addition, Technomics was an early contributing author to the new GAO Cost Guide and supports industry and government cost conferences through papers and presentations. Technomics has achieved 100% SCEA membership of its professional staff, and CCEA credentials are now an individual development priority.



Technomics joins current SCEA Corporate Sponsors: The Boeing Company, Lockheed Martin, and Northrop Grumman.

Chaptering & Membership

By Mike Thompson, Membership and Chaptering Chair



I have been active as the Chaptering and Membership Chair since the October 2008 National Board of Directors Meeting. Thanks to Vice President and former Chaptering and Membership Chair **Joe Dean**, who laid the ground work and with me following up, we welcomed two new chapters at the February 2009 BoD meeting, Mid-Atlantic (President **Jonathan Nickerson**) and Hampton Roads (President **Brian Bazil**).

Currently, we are in the process of reactivating the Baltimore Chapter (PoC **Sonja Holzinger**), and establishing a new chapter in San Antonio (PoC **Jennifer Hill**). All indications are that we will be voting on these two chapters at the June 2009 National BoD meeting.

The job of chaptering doesn't stop once the BoD has voted a chapter into the Society — far from it. With the help of **Elmer Clegg** and **Erin Whittaker**, we are looking at ways to support the chapters with tools on the web page, connecting new chapter presidents with past presidents who are willing to help by answering questions, building up a "speaker library" with previous chapter meeting presenters, and helping chapters contact speakers. A fertile ground for speakers at chapter meetings at this time of the year are those individuals who are presenting papers at the 2009 Professional Development and Training Workshop (see list on p. 25).

Members Make the Chapter

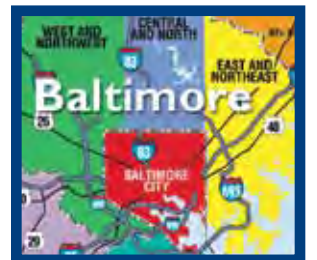
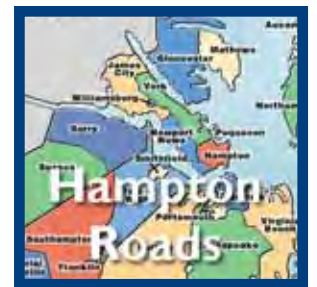
You can't have a chapter without having members (at least 10 to start). It's the members and their participation that make the chapter work. It doesn't matter how many training sessions, social events, ideas, and speakers the chapter's board of directors comes up with; if these do not meet the collective needs of the members the chapter will languish and be a chapter in name only.

For the members who aren't active in their chapters you need to ask the question: "What do I want out of SCEA?" and "What do I need to do to achieve those needs?" Your conduit is the chapter board of directors. In fact, if you feel strongly about what you want out of SCEA, join the chapter board as a committee member. Whether it's certification, training, networking, social, or a cornucopia of other reasons for joining a SCEA chapter, the first step on the road toward chapter success is to establish a group of involved members. If you are active in a chapter, then you are taking a proactive role in the success of the chapter. If you are in SCEA for the training, publications, and workshops, and it is meeting your needs, take a moment and think about what you can give back to the society and the professional community. You may decide that you don't have time, but for those who have the desire to give up some time, it is a rewarding experience.

We have 64 members in the United Kingdom without a chapter. We are looking for any of the UK members who are interested in leading the process of starting a chapter to contact me to begin the chaptering process.

I look forward to seeing you all at the 2009 Annual Professional Development and Training Workshop in St. Louis in June.

(Top to bottom) Area represented by new Mid-Atlantic Chapter, area represented by new Hampton Roads Chapter. A potential reactivated chapter in Baltimore County and a potential new chapter in San Antonio.





2009 Professional Development & Training Workshop

This year's Professional Development and Training Workshop will be an event you can't miss! We'll be at the Renaissance Grand Hotel and Suites in St. Louis, MO. The Renaissance Grand Hotel is situated within walking distance of the Gateway Arch, on bustling Washington Avenue. You can walk to jazz clubs, Laclede's Landing (where you will find delicious cuisine and riverboat gaming), or the Anheuser-Busch Stadium Complex. Or, jump on the metro (just a block away from the hotel) and ride to Union Station or historic Soulard. The hotel itself features 3 unique restaurants, 45,000 square feet of meeting space and 33 meeting rooms. Come and enjoy all that St. Louis has to offer, and find it all just moments away from our hotel. This Workshop will feature comprehensive training and professional papers covering new estimating methods, models and techniques as well as lessons learned. Key leaders within the Cost Estimating and Analysis Community will be participating as keynote speakers and panel members, providing insights into the future of the profession and new initiatives.

Plan now to learn and have fun! Professional papers and training tracks will be offered for all skill levels, from novice to seasoned professional. We'll kick off on Tuesday morning, June 2, with Training Tracks at the Fundamentals, Integration, and Practitioner levels. These Tracks will cover proven techniques and methods in Cost Estimation, Earned Value Management, and Parametrics, with content based off of ISPA's 4th Edition of the Parametric Estimating Handbook and SCEA's new training and reference system, CEBok™. Each subject area will be covered in detail in 90-minute modules presented by experts and will allow you to move freely from one track to the other. CEU credits will be awarded for attending Training Sessions.

Tuesday evening we will welcome everyone with an Attendee Reception featuring heavy hors d'oeuvres. This event is a great opportunity to mingle, network, and catch up with old and new friends and colleagues.

On Wednesday morning, we'll open the conference with a general session featuring a keynote speech from Robert E. Gower, Jr., Vice President, F/A-18 & EA-18, Programs, Global Strike Systems, Boeing Integrated Defense Systems. Following the General Session, we will have a short break and then continue with the training tracks and begin the professional presentations in seven tracks:

- Applications/Tools
- EVM/Schedules
- Software & IT
- Management
- Methods
- Models
- Risk

On Wednesday evening, attendees can take in a baseball game at the Anheuser-Busch stadium.

Thursday morning will open with a panel featuring Intelligence Community Cost Chiefs. Following this, we'll continue with papers and training until we break for lunch, where our lunch speaker will be a member of Congress who will discuss the current economic crisis and its effect on federal procurement programs. Training and papers will continue until we break for the day. In the evening, the Awards Banquet will be held and both society's award winners will be honored.

Friday will feature a "Best Paper" track showcasing the winning paper in each track and overall for the Conference. The training tracks and professional papers will be presented in the morning, with the Conference coming to a close before noon.

This Workshop will feature an expanded and enhanced CCEA exam preparation session. At this preparation session, people will work together to solve problems based off of the new Certified Cost Estimator/Analyst (CCEA) exam. By working through these problems together, attendees at this session will gain a distinct advantage by brushing up on problem-solving methods that will help them be more successful on the exam. The opportunity to become recognized in the profession through professional certification will be offered at the certification exams held on Saturday. SCEA will present its new two-level certification program, and the new Certified Cost Estimator/Analyst (CCEA) exam and ISPA's Certified Parametric Practitioner (CPP) exam will be held on Saturday morning (register separately).

Catch-up on the latest tools of the trade. Like we have in past Conferences, the ISPA-SCEA Workshop will give attendees the chance to visit exhibitors and catch up on the very latest in the commercial sector. Exhibit space is still available but going fast. Exhibitors who have signed up early for this Workshop include Boeing, Booz Allen Hamilton, Wyle,



Tentative Conference Schedule

On-site Registration

Monday.....	June 1	2:00 PM - 6:00 PM
Tuesday	June 2	7:00 AM - 5:00 PM
Wednesday	June 3.....	7:00 AM - 5:00 PM
Thursday.....	June 4.....	7:00 AM - 5:00 PM
Friday	June 5.....	7:00 AM - 12:00 PM

Exhibits Schedule (Lobby Level)

Tuesday	June 2	5:00 PM - 8:00 PM
Wednesday	June 3	7:00 AM - 5:00 PM
Thursday.....	June 4	7:00 AM - 7:00 PM
Friday	June 5	7:00 AM - 11:00 AM

Conference Events Schedule

Technical Program Sessions

Tuesday	June 2	8:30 AM - 5:30 PM
<i>(Training Day)</i>		
Wednesday	June 3	8:30 AM - 5:00 PM
<i>(Keynote Speaker, Training, & Professional Papers)</i>		
Thursday.....	June 4	8:30 AM - 5:00 PM
<i>(Panel Discussion, Training, & Professional Papers)</i>		
Friday	June 5	8:30 AM - 11:45 AM
<i>(Training & Professional Papers)</i>		

Welcome Reception

Tuesday	June 2	5:45 PM - 7:30 PM
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Continental Breakfast (included)

Tues.-Fri.	June 2-5	7:00 AM - 8:30 AM
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Lunch

Tuesday..	June 2	11:45 AM - 12:45 PM
Wed.-Thurs.....	June 3-4.....	12:00 PM - 1:30 PM

Reception and Awards Banquet

Thursday.....	June 4	6:00 PM - 9:00 PM
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Testing — SCEA CCE/A Exam & ISPA CPP Exam

Saturday	June 6	8:00 AM - 12:15 PM
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ISPA-SCEA Workshop Planning Committee

SCEA President	Bill Haseltine
ISPA Chairman	Jason Dechoretz
Conference Chairs	Mel Etheridge & Mary Sue Collins
Training Track Chairs	Peter Braxton & Sherry Stukes
Program Track Chairs	Mike Thompson & Andy Prince
Best Paper Awards Chairs	Paul Marston & Joe Hamaker
SCEA Annual Awards Chairman.....	Linda Turner
ISPA Professional Awards Chairman...	Joe Hamaker
Proceedings Chairperson.....	Madeline Ellis
Exhibitors & Sponsors Chairman.....	Elmer Clegg

MCR, Tecolote, Northrop Grumman, and PRICE Systems. You can also attend presentations by commercial tool developers in the professional papers tracks. There will be many opportunities at this event to catch up on the latest developments in software, tools and methods. For more information on Exhibits and Sponsorship opportunities, contact Erin Whittaker at erin@sceaonline.org.

Location, Location, Location...

Located on Washington Avenue, the Renaissance Grand Hotel & Suites is perfectly situated to give attendees convenient access to all St. Louis has to offer. Being just one Metrolink stop away from historic Laclede's Landing, the



Renaissance will be a great venue for both the daily activities of our workshop and the after-hours fun! Enjoy the nightlife on Washington Avenue, stroll to the Gateway Arch or Busch stadium, or try your hand at riverboat gaming. From jazz clubs in Historic Soulard to Victorian gardens, St. Louis has it all. The hotel has 875 rooms, 33 meeting rooms, a fitness center and full-service business center, and a concierge. For dinner you can order hotel room service or delivery from one of the many nearby restaurants, or you can head

down to one of three hotel restaurants. One thing's for certain, you won't run out of exciting new cuisine to sample! The hotel restaurants include: An American Place, featuring standard American cuisine with a modern twist; Capri Restaurant, offering Midwestern fare; and the Washington Avenue Bistro, located in the hotel lobby and offering "bistro" selections. Within walking distance from the hotel you will also find Kitchen K (known for its Hawaiian seafood), Mosaic (featuring Tapas), the Dubliner (an authentic European gastropub), Lucas Park Grille (a traditional steakhouse), Sen Thai (offering Thai, Japanese, and Chinese selections), and Wasabi (serving traditional Japanese food). You can also enjoy the nearby tennis courts and biking/jogging trails, or take in a few laps at the hotel's indoor pool and Jacuzzi.

Register today!

Register for the workshop online at www.sceaonline.org. Credit cards are accepted and encouraged. Registration fees are \$875 for SCEA /ISPA members and government/military employees, \$950 for non-members, and \$800 for groups of five or more (group members must be part of the same organization). Members of groups can register individually, but a company representative must contact the SCEA & ISPA Joint Office at 703.938.5090 to establish the group in advance.



Learn from expert speakers and panel members. . .

Robert E. Gower, Jr.

Vice President, F/A-18 & EA-18, Programs, Global Strike Systems, Boeing Integrated Defense Systems



Bob Gower is Vice President of F/A-18 & EA-18 programs for Global Strike Systems, Boeing Integrated Defense Systems. He is responsible for customer satisfaction and the quality, cost, and schedule performance of every facet of the F/A-18 family of strike fighters, which includes the F/A-18A/B/C/D/E/F, as well as the EA-18G, programs valued at more than \$2 billion annually. From March 2001 to June 2004 Gower was Vice President of Tanker Programs. Prior to this position, Bob held increasingly responsible positions within McDonnell Douglas and Boeing. His earlier assignments included General Manager of Navy Missile Systems, Director of Supplier Management and Procurement for F/A-18, Director of Process Improvement in McDonnell Douglas Corporate Office, Corporate Contracts and Pricing, and various financial positions on the Tomahawk Missile program.

Intelligence Community Cost Chiefs Panel:

- **Mr. James Fiume**
Director of the Office of the National Intelligence Cost Analysis Improvement Group (DNI CAIG)
- **Ms. Heather Chelson**
Chief of Cost Estimating for the National Geospatial Agency (NGA)
- **Mr. Tige Palmer**
Chief of the Defense Intelligence Agency (DIA) Program Assessment and Evaluation Division
- **Representatives from the following agencies will also be attending:**
 - National Reconnaissance Office Cost Analysis Improvement Group (NRO CAIG)
 - Central Intelligence Agency (CIA) Cost Estimating Organization



Reserve your exhibit space today!

Exhibit booths are still available and attendance is expected to be high. Booths will be located in the middle of all the Workshop action. Increase your impact and sponsor a breakfast or refreshment break too!

- Badge holder given to each participant
- Small portfolio folder for each participant
- Events — Breakfasts, Refreshment Breaks, Lunches, and many more!

For more information, contact Erin Whittaker at erin@sceaonline.org.



Hotel reservations and registration options...

St. Louis is known for its great jazz clubs and fine cuisine, and our Workshop hotel is perfectly located within walking distance of many attractions. You can go shopping on Washington Avenue, indulge your inner child at the St. Louis Zoo or City Museum, admire the art collection of the St. Louis Art Museum, or try your hand at riverboat gaming on Laclede's Landing. The Anheuser-Busch Stadium Complex and the Gateway Arch are within walking distance of the hotel, and the metro, to take you to Soulard or Union Station, is just one block from the hotel. Getting to the hotel from the St. Louis International Airport is easy, via metro or shuttle service.

Take me out to the ballgame...

You can join us on Wednesday evening, June 3, for an MLB game at the Anheuser-Busch Stadium to see the St. Louis Cardinals play the Cincinnati Reds. For a fee of \$33 per person, you will be guaranteed 3rd Base Loge Box seats with the perfect view of all the action. Tickets can be purchased when you register for the Workshop at <http://www.sceaonline.org/events/conference/2009splash.cfm> and click on "Workshop Registration." You can also purchase tickets separately from your registration by contacting Erin Whittaker at erin@sceaonline.org. The stadium is two metro stops away from the hotel, so transportation will be a breeze! This promises to be the perfect opportunity to unwind with friends, family and colleagues.

Guest Registration...

Plan on bringing a guest with you to this year's Workshop? They will have plenty to do around St. Louis while you are networking and attending training and presentations. And, if you would like your guest to have access to the special guest continental breakfast and the General Sessions, as well as the Tuesday Evening Attendee Reception and the Thursday Evening Banquet, you can register your guest for these meals for the small fee of \$175. This fee does not include lunches, but if you would like your guest to attend lunch as well, that can be arranged for \$40 per lunch. The guest registration fee of \$175 is available when you register online. The additional \$40 per lunch can be arranged by contacting Erin Whittaker at the SCEA & ISPA Joint Office.

Hotel Amenities:

- Cable/Satellite TV
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With great amenities such as 875 rooms filled with fine linens, 33 meeting rooms, 3 restaurants, 2 hotel bars, and high speed internet in guest rooms, space at this hotel will fill up quickly. Book your room today so you can guarantee your access to luxurious hotel accommodations within walking distance of some of the most famous St. Louis attractions.

Make sure you book early! Hotel accommodations are provided at a discounted rate of \$149 per night, plus taxes. To make reservations online, go to <http://www.sceaonline.org/events/conference/2009splash.cfm> and click on "General Information". You can also call Renaissance Reservations at (800) 397-1282 or the direct hotel line at (314) 621-9600 and request the "ISPA/SCEA Conference" rate. A limited number of rooms at the government rate of \$111 are available only to government employee and active military. To be eligible for this rate you will be required to show government ID or government travel orders upon check-in.





Registration Form

REGISTRATION FEE

\$875 for SCEA or ISPA members, military, and govt. \$950 for all other attendees.

GROUP DISCOUNTS

For 5+ attendees from the same organization, the registration fee is \$800 per attendee.

WHAT IS INCLUDED?

Registration includes breakfasts, morning and afternoon coffee breaks, lunches, Tuesday's reception and Thursday's Banquet, and conference program. All attendees get a CD that includes all training materials.

GUEST REGISTRATION

Guest registration includes breakfasts, breaks, Tuesday's reception, and Thursday's Banquet = \$175 additional cost per guest.

CARDINALS VS. REDS

Baseball Game (Wednesday, June 3, does not include transportation = \$33 additional cost per person.

CANCELLATION

Before **May 26, 2008** = Full refund. After May 26, 2008 = NO refund. Substitutions are accepted at anytime. To cancel call: 703.938.5090

PAYMENT BY CHECK

Mail completed registration form to:
ISPA-SCEA
Workshop 2009
527 Maple Avenue East
Suite 301
Vienna, VA 22180
FAX: 703.938.5091

ATTIRE:

Conference attire is business casual.

Date _____

PERSONAL INFORMATION

Last _____ First _____ Middle _____
(Mr. Mrs. Ms, Dr.)

Name to appear on your badge _____

Company _____

Address _____

City _____ State _____ ZIP _____

Email _____ Phone _____ Fax _____

I am an active member of: ☐ SCEA ☐ ISPA

My institution is a branch of: ☐ US Military ☐ US Government

CONFERENCE OPTIONS

☐ I plan to bring _____ guest(s) (\$175 per guest)

☐ I plan to attend the Cardinals vs. Reds baseball game (\$33 / person @ _____ people)

PAYMENT

Registration fee: _____

Additional fees: _____ + _____
(for guest or baseball game)

TOTAL AMOUNT DUE: _____

PAYMENT METHOD

☐ CORPORATE PURCHASE ORDER

☐ CHECK (payable to: ISPA-SCEA Workshop 2009)

☐ CREDIT CARD: ☐ AMEX ☐ VISA ☐ MASTERCARD

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CARD NUMBER

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Exp. date

Signature _____

Where Learning Begins...

The Call for Papers was met with an overwhelming response of excellent submissions for the 2009 ISPA / SCEA Professional Development and Training Workshop. In fact, we accepted a record-setting 78 papers. The papers cover topics in cost estimating, earned value, software, and tools applicable to Department of Defense, Department of Energy, National Parks, NASA, space systems, construction, and IT systems.

Conference Program Co-Chairs **Mike Thompson** (SCEA) and **Andy Prince** (ISPA) have put together an outstanding selection of papers from recognized authors in the following tracks:

- Applications and Tools
- Earned Value / Scheduling
- Management
- Methods
- Models
- Software
- Risk

Each track includes many interesting papers with noted authors.

(continued on p. 26)

Papers to be Presented

PRESENTER	TITLE	TRACK
Patrick Baranowsky	The Role of Spend Analysis within DoD's Strategic Sourcing Initiative	Applications/Tools
Christopher Hutchings	Contemporary Alternatives to Classical Risk Analysis Challenges	Applications/Tools
Angela Lemke	Estimating the Cost of a Mobile Maintenance Capability	Applications/Tools
James Otte	Mitigating Calibrated PRICE Hardware Project Files to TruePlanning for Hardware	Applications/Tools
Peter Pizzutillo	True Cost Benefit Analysis Framework	Applications/Tools
Anthony DeMarco	Integrating Homegrown CERs in a Single Commercial Estimating Toolset	Applications/Tools
Daniel Schwartz	Introduction to the Joint Integrated Analysis Tool (JIAT)	Applications/Tools
Dale Shermon	Through Life Estimating	Applications/Tools
Krista Stroh	Parametrics as a Function of Project Management: a Tactical Example	Applications/Tools
Angela Vu	USAF/SMC Cost Growth Study Using Contract ECOs	Applications/Tools
Patrick K. Barker	Integrating EVM and System Engineering	EVM/Schedules
Patrick K. Barker	Anchoring EVM Analysis in the GAO Guide	EVM/Schedules
Anthony Chandler	Is Earned Value Management (EVM) in the future of Performance-Based Services Acquisitions (PBSA)?	EVM/Schedules
Eric Druker	Performing Statistical Analysis on Earned Value Data	EVM/Schedules
Wendy Freeman	Improving Cost Estimating during Program Execution through Integrated Program Management	EVM/Schedules
David Graham	Comparative Analysis of Spacecraft Schedule by Classical and Quantum Monte Carlo Simulations	EVM/Schedules
John Horak	Integrating Cost with Performance and Schedule Analysis through ForeCostXXI	EVM/Schedules
John (Dr.) Bredfeldt	Cost Analysts/Estimators — The Necessary Professionals	Management
Michael Brozyna	The Federal Budget Process — A Quick Primer	Management
Robert (Dr.) Clemence	An Approach to Corroborating the Impact of Recruit Quality and Recruiting Mission on Resource Requirements	Management
Daniel Galorath	Dan Galorath on Estimating	Management
Joe Hamaker	NASA Productivity Study	Management
Douglas Howarth	Market Mapping for Product Optimization	Management
Paul Killingsworth	The Challenge of Estimating Space System Development Costs-Lets Get Real	Management
Christopher Embry/ Dean Kimmel	Generating and Negotiating Cost Data Reporting Requirements	Management
Mun (Colonel) Kwon	PMAG'S Program Startup Assistance	Management
Cleo Liles	The Lockheed Martin Aeronautics Transformed Estimating System	Management
David Peeler	Leadership AND Management: Two Necessary Talents	Management
Fred Richardson	Incorporating Financial Sustainability Considerations into the Planning and Design of New Facilities in the National Parks	Management
John (Dr.) Bredfeldt	Cost Estimating — Back to Basics	Methods
Kevin Cincotta	Cost Estimation as a Linear Programming Problem	Methods
Joe Hamaker	A Refresher On Engineering Economics	Methods
David Hull	Methods and Challenges in Early Cost Estimating	Methods
Katherine McCormack	Capability Mapping and the System Capabilities Architecture	Methods
Yousuf Mohammed	Towards Enterprise Wide Cost Modeling: A Systems Engineering Approach	Methods
S. Diana Patane	Win and Influence Design Engineers — Change Their Affordability DNA	Methods

(continued from p. 25)

EVM / Schedule —

7 papers, presenters include Patrick Barker and David Graham

Management —

12 papers, presenters include Dr. Robert Clemence, Joe Hamaker, and Colonel Mun Kwon

Methods —

12 papers, presenters include Dr. John Bredfeldt and Quentin Redman

Models —

12 papers, presenters include Tim Anderson, Dr. Stephen Book, Dr. Ilya Fishman and Dr. Christian Smart

Risk —

14 papers, presenters include Peter Braxton, Dick Coleman, Eric Druker, and Colonel Tom Sanders

At any time, you can submit a paper for *The Journal of Cost Analysis and Parametrics*, providing the submission meets the requirements of *The Journal*. This year authors of the Best Papers will be invited to submit their paper to *The Journal*.

With the wide selection of presentations for the workshop and training, along with the rolling out of the new Cost Estimating Body of Knowledge (CEBoK™, which replaces CostProf), and the newly formatted Certification Exam, this year's program promises to be one of the most exciting National Workshops ever!

Richard Picciano	Material Estimating Verification & Validation Guide	Methods
Quentin Redman	Weapon System Design Trade Offs using Life Cycle Cost	Methods
Dale Shermom	Systems Cost Engineering	Methods
Chadd Sibert	Capabilities Knowledge Base (CKB) Analysis Tools and Applications	Methods
Timothy Anderson	A Distribution-Free Measure of the Significance of CER Fit Parameters Established Using GERM	Models
Stephen Book	Statistical Foundations of Adaptive Cost-Estimating Relationships	Models
Edwin Dean	Parametric Cost Analysis Using Neural Networks	Models
Thomas Demas	Manpower Cost Estimating for Enhanced Online Reporting	Models
Ilya Fishman	Excessive Project Cost –Where It Comes From?	Models
Shu-Ping Hu	Comparing Different Methods for Deriving Cost-Dependent CERs	Models
Zachary Jasnoff	The Lifecycle Integration Framework-Extending Affordability Simulation through Cost and Engineering Model Interoperability	Models
Lew Messing	Contractor Costs for Life Cycle Cost Estimate Development	Models
Karen Mourikas	Estimating Experimentation Efforts	Models
Christian Smart	An Analytical Framework for Cost Estimating Relationship Development	Models
David Stamm	A Method for Estimating the Development and Production Cost of Advanced Radar Systems at the Subsystem and Component Level	Models
Robert Flowe	Simple Parametric Model for Estimating Development (RDT&E) Cost for Large-Scale Systems	Models
Philip Beenhouwer	Quantifying the Impact of Proposed Risk Mitigation Strategies: Does the Cost of the Mitigation Exceed the Cost of the Impact?	Risk
Peter Braxton	Risk-Based ROS for Proposals with Mitigating Terms and Conditions	Risk
Mel Broder	Compensating for Narrow Tails in Triangular Distributions	Risk
Richard Coleman	What Percentile Are We at Now (And Where Are We Going?)	Risk
Bethia Cullis	At What Point in Program Development Are Risk Registers Complete	Risk
Eric Druker	Making Statistical Analysis Accessible: The RAMS Tool for Performing Regression and Risk Analysis	Risk
Daniel Galorath	Why Not Do Project Risk Analysis Parametrically?	Risk
Eric Hawkes	A Simple, Universal Approach to Cost Risk Analysis: Integrating Simulations and Sensitivities	Risk
Thomas Sanders	Evaluating the Risk in Offeror Bids for Acquisition Program Source Selections	Risk
Brian (Colonel) Shimel	Risk, Uncertainty, and Trouble: Escaping the RUT of Program Instability	Risk
Christian Smart	The Portfolio Effect And The Free Lunch	Risk
Virginia Stouffer	Predicting Reliability	Risk
Virginia Stouffer	Use of Weibull Failure Rates	Risk
Eric Druker	Kurtosis Risk — Why Estimates Using Power CERs Always Experience Cost Growth and What Distribution to Use as a Remedy	Risk
William Barfield	Improving Software Cost and Schedule Estimating within the FAA	Software & IT
Robert Georgi	Illustrative Example of Flight Software Estimation	Software & IT
Bob Hunt	Software Project Estimating Via Use Case Points	Software & IT
Arlene Minkiewicz	Making the Case for SOA	Software & IT
Arlene Minkiewicz	A Holistic Approach to Understanding IT Costs	Software & IT
Ramin Moazeni	Productivity Decline in Directed System of Systems Software Development	Software & IT
Leah Roberts	Server Virtualization and Cost Savings	Software & IT
Denton Tarbet	Optimized Project Management of Systems and Software Projects	Software & IT
Alan Williams	A Method For Organizing Information For Estimating IT Projects	Software & IT
Mike Gallo	Building a Normalized Software Database using SRDRs	Software & IT

2010 ISPA/SCEA Professional Development & Training Workshop



Sheraton San Diego Harbor Island
June 8 – 11, 2010



Come and enjoy...

- ... Stimulating keynotes, panel discussions, and professional papers on a wide range of topics such as risk management, parametric estimating, and new tools and methods! Cost community experts from government, industry, and academia will come together to network and share ideas.*
- ... The most up-to-date educational training sessions featuring content from the final edition of the Parametric Estimating Handbook (PEH) and the new Cost Estimating Body of Knowledge (CEBoK™). These training sessions will help attendees brush up on their skills, or prepare to take the CPP or CCEA exams .*
- ... A waterfront hotel with breathtaking views of San Diego Bay, four unique restaurants, three swimming pools, tennis courts, a spa and jogging trails. It will be the perfect place to relax and unwind after a day of learning at the Workshop!*
- ... Easy access to attractions like:*
 - Mission Beach
 - San Diego Zoo
 - Gaslamp Quarter
 - Old Town
 - Tijuana, Mexico

For information about registration, exhibiting, or presenting a paper, contact the SCEA & ISPA Joint Office at scea@sceaonline.org, or by calling (703) 938-5090. Also, visit the SCEA website (www.sceaonline.org) and the ISPA website (www.ispa-cost.org) for more information as it becomes available.



Dayton Chapter News

By President Ross Jackson, Ph.D., Air Force Material Command Headquarters, ross.jackson@wpafb.af.mil

It is a great honor and privilege to be able to serve as president of the Dayton Chapter for 2008–2009. Two members of our chapter helped me to transition into the role of president. First, **Ed Weeks** served with great distinction as our president for the 2007–2008 term. I learned a great deal from him as I worked as his vice president. Also, **Tom O'Hara** is serving as our vice president and he already provided me with great assistance and leadership. It is my great fortune serve as president between these two dedicated leaders.

One special and enduring way to be engaged in SCEA is to produce articles and presentations. Traditionally, we have given a great deal of attention to the “what” and “how” of cost estimating. This focus has provided us with a foundation on which to develop the technical acumen that aids us in the creation of increasingly more complex and robust estimates. We continue to welcome contributions with this focus. There is an emerging field of study referred to as critical management studies (CMS). One of the foci of CMS is to dig deeply into the field to find neglected aspects, presuppositions, and more fundamentally the “why” that lurks behind the more apparent “what” and “how” of management theory and praxis. It would be interesting and relevant to develop a stream of research articles and presentations that leverage a critical perspective to understand the cost estimating project. Our goal is to be open to new ideas in cost estimating and be pluralistic in our research methodologies and underlying epistemological perspectives. Please contact **Amy Smith** at Amy.Smith4@wpafb.af.mil with any of your contributions or ideas. If you have ideas for presentations, articles, social activities, or any other suggestion on how we can make our chapter better please let me know. Email me directly at ross.jackson@wpafb.af.mil. I will work closely with the local SCEA board members to address your suggestions and concerns.

SCEA Awards — 2008

By Awards Chair Linda Turner, Linda.Turner@wpafb.af.mil

SCEA offers a robust awards program that recognizes excellence throughout the cost career fields. Nominees can be submitted in the following categories: lifetime achievement, management, education, technical achievement, and service to the society.

In 2008, the Greater Dayton Chapter recognized the following cost estimating professionals in the area of technical achievement:

- **Steve Gagen**, F-22 Senior Modernization Cost Estimator, was recognized for his work in cost estimating, schedule analysis and financial management support to the F-22 Raptor, both in support of POM builds and Milestone Reviews
- **John Irvine**, ASC/FMC Cost and Schedule Analyst, was recognized for his superb schedule and cost analysis supporting multiple source selections
- **Scott Boyd**, HQ AFMC/FMC Cost Analyst, provided keen and insightful analysis skills in developing the Depot Maintenance Cost and Benefit Reporting Tool.
- **Debra Walter** was a SCEA National Award Winner. She works as the Cost Estimating Branch Chief for the F-22 Raptor — the Air Force's premier 5th generation fighter. She cultivates working relationships with other team leaders to seek integration and synergy of efforts and to raise the bar of cost analysis proficiency. With her help her team has become one known primarily for their ability to consistently deliver timely, accurate, and comprehensive cost analysis.

Neil Albert Speaks at Greater Dayton SCEA Luncheon

By Coster Newsletter Editor Amy Smith, Amy.Smith4@wpafb.af.mil

We had an extremely successful turnout at the August 2008 luncheon, with over 50 financial management professionals listening to **Neil Albert**, President and CEO of MCR, LLC. Mr. Albert gave an insightful presentation about his involvement in the recently developed Government Accountability Office (GAO) Cost Assessment Guide: Best Practices for Estimating and Managing Program Costs, which the GAO has already begun using to assess cost estimates on programs at WPAFB. Highlights of the presentation included the importance of the guide to numerous stakeholders and its evolution as more than a cost estimating reference guide. Critical to these best practices and the guide's development is the integration of cost estimating and Earned Value Management (EVM). Check out the presentation at www.daytonscea.org.

Hampton Roads Chapter News

Since becoming active in December 2008, the SCEA Hampton Roads Chapter has been moving out in a number of areas to serve its current 40+ members. Local elections have been completed and the positions of President (Brian Bazil), Vice President (Daniel Mask), Secretary (Charles Tapp), and Treasurer (Bruce Milchuck) have been filled through September 2010. In February, the chapter held a Happy Hour that presented its members with an opportunity to network in an informal environment. During the March Chapter Meeting, Michael Thompson (National Chaptering and Membership Chair) presented valuable information regarding chaptering activities and the process of getting a chapter off the ground. Canned goods were collected at this meeting for contribution to the Foodbank of Southeastern VA. Through monthly meetings and results of the recently completed member survey, the SCEA Hampton Roads Chapter has been identifying events that are most meaningful to chapter members and is looking forward to an exciting Spring schedule.



Mike Thompson shares insights as the National Chairman of Chaptering & Membership and former Southern Maryland Chapter President. Brian Bazil presents Mike (an award-winning home winemaker) with a bottle of Virginia wine as a token of appreciation.

Houston / Clear Lake Chapter News

By President Ella Hrabar, United Space Alliance, ella.c.hrabar@usa-spaceops.com

The Houston/Clear Lake Chapter turned two years old in February. We have a new Vice President, **Krista Stroh**, and a new Secretary, **Jean Hamblin**, both from Booz Allen Hamilton. **Ann Sylvester**/NASA remains as Treasurer and **Ella Hrabar**/United Space Alliance remains as President. We are off to a fresh new, two-year cycle and look forward to working together to further the chapter growth. Leaving office but still supporting the chapter, **Randy Parker**/Quanah Technical Services, who stepped in to fill the VP vacancy, and **Ed Fitzsimmons**/United Space Alliance, who served as our Secretary through the first two years, deserve our thanks and appreciation.

The chapter held its second certification exam in November 2008 resulting in one certification. Congratulations to **David Silvey**/U.S. Air Force in San Antonio on attaining his CCEA. Appreciation and thanks to **Ann Sylvester**/NASA who proctored the exam. There are quite a few beta testers in Texas, and of those, seven are studying to take the new certification exam scheduled for May 2009 in Houston. I know they are excited to have the opportunity to be part of the process in getting the new certification exam finalized and ready for implementation.

Guest speaker **Rey Carpio**/Tecolote made a presentation at our March 26th lunch meeting. He presented "Double Counting of Schedule Slips in Cost/Schedule Joint Confidence Level". To further our efforts to obtain speakers, we have put out a call for papers to encourage our members to submit their abstracts by May 15 for review and selection for presentation this coming September. This effort will afford speaking opportunities for members who want to gain public speaking experience and will give experienced members the chance to bring their ideas to light.

Volunteer event ideas are being solicited. Supporting the local community as a group a few times a year for a few hours on a Saturday or after work would be a way to start and see where it leads. Freely giving of your time to help someone or an organization within our community is a goal we all can easily accomplish.

I want to end by saying that people make a difference in the way an organization, company, city, state, or community prosper or not. We can choose to raise our level of consciousness and make a positive difference by making a positive contribution on a daily basis. Don't wait for the other guy to do it. Take a hold of the reins and move forward in not only your life but in all that you impact.

Northwest Chapter News

By Jeffrey Jaenicke, The Boeing Company, jeffrey.l.jaenicke@boeing.com

It's hard to believe that four years ago we were celebrating becoming a new SCEA chapter, and here we are now starting our fifth year. We are very proud of our accomplishments, but our greatest claim to fame is our training and certification program. Under the direction of **Pat Zedaker** our organization has conducted training for 60 individuals, 24 of whom received their Certified Cost Estimator/Analyst (CCEA) designation. This is no easy task! Pat personally schedules, coordinates and conducts several weeks of off-hour training classes in an effort to prepare our members for the exam. She does this twice a year. Thank you, Pat, for a job extremely well done! Also, **John Thomas** continued on as our director of elections this year. A special thanks to you too!

New Officers

We started this year by conducting officer elections. Our new President **Michael K. Doherty** is a manager with the Boeing Company. Another new officer this year, **Tim A. McMains**, is our Secretary. Two individuals were re-elected, Vice President **Jeffrey Jaenicke** and Treasurer **Eric Gabrielson**. Our plans are to conduct four "All Hands" meetings during 2009, one of which will be an all day event for training, information sharing, and promotion of the cost estimating and cost analysis career fields. Dates and locations will be announced at a later date. Another focus will be to identify directors for the communication and membership committees.

Membership

The Northwest Chapter is the only chapter in the Pacific Northwest, and as a result, we have a very large

base from which to attract new members. The Northwest hosts a variety of industries from aircraft manufacturing to timber to computing just to mention a few. We're very excited about the prospect of increasing our membership, especially from outside of the state of Washington. In the last two years, we have grown from 52 to 75 members due in large part to Boeing becoming a SCEA Corporate Sponsor. Our goal now is to try to top the 100 membership mark over the next two years.

Value of SCEA in Current Climate

All of us are aware that our economy is experiencing a severe down turn, and industry in general is feeling the effects. You can't turn on the nightly news without hearing about another company closing its doors, and the Pacific Northwest is no exception. In fact, Washington and Oregon have a slightly higher unemployment percentage than the national average. Internal efficiencies and personnel skills have never been more important to the corporate bottom line than they are now. As an organization dedicated to improving cost estimating and analysis in government and industry, SCEA can have a tremendous impact on the ability of a company to pull through this current recession. As members of the Northwest Chapter, we're proud to be a part of an organization that plays such a key role in fostering efficiencies, training, and general knowledge transfer, all of which enhance our career field and benefit industry in general.

For more information about the SCEA Northwest Chapter, please contact Mike Doherty by email at michael.k.doherty@boeing.com or Jeff Jaenicke at jeffrey.l.jaenicke@boeing.com

(Left to right) Director of Training and Certification Pat Zedaker, Treasurer Eric Gabrielson, Vice President Jeffrey Jaenicke, Secretary Tim McMains, and President Michael Doherty.



Pikes Peak Chapter News

By Chapter President Jeff Smith, Missile Defense Agency, jeffery.smith@mda.mil

The board of directors for the Pikes Peak Chapter has been busy developing new initiatives that we hope will enhance the talent and experience of our members. One of those initiatives was creating a website we hope to launch later this month that will provide a continuous forum for up-to-date information on chapter events, training, testing, and published works by our local members. You can reach our website at <http://sceapikespeak.org/>. Another opportunity we've launched this year is an awards program for our local Pikes Peak members. This program will allow us to formally recognize some of our best and brightest members. Our **Award Program Chairperson Gerry Corwin** has crafted a plan, published the nomination call to all our members by email, solicited responses (including notification of members' supervisors), and announced the program at monthly SCEA luncheon meetings.

This year has already proven to be a great success for the Pikes Peak Chapter. We've had the opportunity to hear some great topics so far and we are set to finish strong as some of our local experts are scheduled to speak at our remaining luncheons this year!

From Vice President Christina O. Brims, Air Force Cost Analysis Agency-Space Programs, christina.brimms@peterson.af.mil

As the new Board of Directors assumed leadership, we began focus on a two-year plan to improve the chapter's value to our members. Four areas of concentration selected for action include:

- increasing the benefit of our monthly meetings
- adding new members
- nurturing the next generation of cost estimators
- sponsoring a certification study group

To increase the benefit of our monthly lunch meetings, Program Chair **John Teal** and I seek out compelling individuals from government, private sector, and academia to present cost topics in a captivating manner. When our purposes align, we continue to conduct joint meetings with the local chapter of the American Society of Military Comptrollers (ASMC). In addition, we have drafted a membership survey to determine what members desire the most from our monthly meetings so the time spent together is valued more than had we spent it apart. One early discovery is that our membership values peer-to-peer sharing sessions as much as formal presentations by outside guest speakers.

In an effort to keep the chapter dynamic and increase the diversity of its representative disciplines, we intend to solicit members from private industry, local government, and academia, who comprise a wider group of potential members not traditionally addressed. For example, we realized the building trades offer a community of cost estimators not currently included in our membership. Attracting new members from this industry segment will bring a new perspective to a chapter heavily focused on defense.

As with many sectors of the economy, many of our members belong to the notorious "boomer generation" and will approach retirement from the work force in the next few years. We began an active outreach to potential student members at the undergraduate and graduate level. Our purpose is two-fold: to increase chapter membership and to provide an opportunity for existing members to mentor the next generation of estimators. To support this initiative, I addressed student scholars from the University of Colorado at Colorado Springs (UCCS) Chancellor's Leadership Class in February. My visit provided an overview of



Tom Wiederrecht speaks to Pikes Peak Chapter in November.

Chapter Updates

(Left) Joe Parisi and Jeff Smith
(Right) Gerry Corwin and Robyn Kane
at the Holiday party.



SCEA and insight to the career fields in which they might find employment. The discussion culminated with an invitation to join our chapter. In addition our board of directors voted to subsidize one-half of the annual \$30 student membership for eight full-time students. Besides UCCS, opportunities exist to attract student members enrolled at Colorado College, the US Air Force Academy, and several institutions offering degrees with

acquisition and program management areas of concentration. This fusion of experienced analysts and novices offers us a unique chance to mentor the next generation of cost analysts, operations research analysts, business managers, and members of other discipline backgrounds comprising SCEA.

Finally, we desired to increase the members who possess the Certified Cost Estimator/Analyst (CCEA) designation. With the new certification program underway, we intend to assist members with certification preparation. As with many human endeavors, the group that studies together, graduates together! Why not model a CCEA study group after the highly successful military studies seminar models, such as the AF Air Command and Staff College seminar? Studying the SCEA defined body of knowledge together and encouraging one another to test should increase the number of our chapter members certified, demonstrating their mastery of the field and the experience level they've attained.

Overall, these are ambitious goals for the next two years; however, they provide an exciting opportunity for our membership to build the chapter and maintain its vibrancy. All aboard!

From the Program Chair John Teal, CCEA, Program Chair, Booz | Allen | Hamilton, teal_john@bah.com

The Pikes Peak Chapter has offered an entertaining and educational string of events for the local community over the last four months. Since our October newsletter, the chapter has hosted speakers internal and external to the local community who spoke about pertinent topics such as certification opportunities, the Missile Defense Agency, and logistics planning, and we also had a little fun in the meantime. Several of the events with broad-interest have been combined with the local American Society of Military Comptrollers (ASMC) chapter.

In November, **Tom Wiederrecht** from HQ Air Force Space Command, A8/9 Directorate gave his presentation on Logistics Sustainment Predictive Analysis (LSPA). He provided us insight of the type of data and systems the logistics community uses for their analysis. By understanding how the logistics community uses data for analysis and long-term planning of requirements in operating support costs, it allows the cost analysts to provide better cost estimates support to their customers.

In December, the chapter continued the tradition of providing a free event for cost estimators in the local community by hosting the holiday 2008 event at Phantom Canyon Brewing in the historic section of downtown Colorado Springs. The chapter took a break from cost presentations to enjoy an event focused solely on networking and catching up with friends.

January's event was focused on the new SCEA certification test. **Robyn Kane** of MITRE and Air Force Cost Analysis Agency representative **Christina Brims** spoke to members about the new multi-phase certification exam and specialty certifications that will soon be offered nation-wide.



(Above and center)
Scott Vickers briefs
cost charts to a
full-house.



(Above) **John Teal**
presents a book and
certificate.

Other topics included training, beta-testing, recertification, the CEBOK, and recent government emphasis on the importance of quality cost estimating.

The February event at MITRE drew wide participation from both SCEA and the ASMC members who gathered to hear from the Missile Defense Agency's Director of Cost Estimating and Analysis **Scott Vickers**. The presentation started with a detailed depiction of the cost estimating structure across all of the Missile Defense Agency's geographic locations and ended with a discussion of the cost and budget issues related to future MDA procurement Blocks. After the briefing, most everyone lined up for a chance to say thanks, and many people stayed long after the event was over.

In addition to welcoming guest speakers at the chapter's monthly presentations, **Robyn Kane** and **Chris Dalton** addressed US Air Force Academy cadets enrolled in the Defense Economics 478 capstone course. **Wayne Sidebottom**, visiting professor of economics, invited these two chapter members along with employees of the MITRE Corporation, to discuss cost analysis in the acquisition environment from the Federally Funded Research and Development Center (FFRDC) perspective. As advisors to program offices, Ms. Kane and Mr. Dalton stressed their role as unbiased agents and emphasized the importance of knowing the financial processes involved in supplying capability to the warfighter.

Despite all these great events, we're not done yet! SAIC's **Andy Sherbo** will give his presentation on tax tips, just in time for last-minute filers. Bet on this event being the only tax-season presentation you'll see this year that is actually entertaining. More events are planned for April and May as Tecolote's **Paula Spinner** and **Kurt Brunner** are scheduled to speak. Then, it's the National SCEA Conference in June and a short summer vacation until the SCEA season starts again in September 2009.



(Left) **Chris Dalton** and
(right) **Robyn Kane** brief
and discuss Acquisition
Cost Estimating at USAFA.



Chapter Updates

Washington DC Metro Chapter News

By President Debra Lehman, MCR, LLC, www.washingtonscea.com

The chapter holds board meetings on the first Wednesday of each month from 11:30 – 1:00 PM. All are welcome to attend. Please contact a board member if you are interested in attending.

Training

The chapter hosted a training event on November 15, 2008 at the Arlington, VA, campus of George Mason University. **Agnes Nanu** from Booz Allen Hamilton presented “*Introduction to Function Points*”, which touched on:

- Understanding the purposes and benefits of function points
- Learning function point analysis terminology and techniques
- Understanding the function point analysis process
- Providing hands-on, function-point analysis experience through examples and exercises

For further information contact Jeffrey Moore at Moore_Jeffrey@bah.com.

Monthly Presentations

The Chapter continues hosting monthly luncheons featuring high-profile speakers from around the region:

- **March 2008** — “Why Can’t We All Just Get Along? Lessons in Reconciling Cost Estimates” (en-core presentation), presented by **Dr. Neal Hulkower** and **Larry Wolfarth** (hosted by Wyle Labs)
- **May 2008** — “Reducing Systemic Errors in Cost Models”, presented by **Raymond Covert** (hosted by MCR, LLC)
- **September 2008** — “Numeracy for Cost Analysts”, presented by **Dr. Neal Hulkower** (hosted by MCR, LLC)

- **October 2008** — “Quantifying the Impact of Proposed Risk Mitigation Strategies” presented by **Phil Beenhower** (hosted by MITRE)
- **November 2008** — “A Study of GERM Significance Metrics,” presented by **Timothy Anderson** (hosted by MCR, LLC)
- **December 2008** — “Aviation Affordability Study,” presented by **Bill Stranges** (hosted by Technomics, Inc.)

Attendance at the luncheon series has averaged about 30 members and increases every month. Interesting presentations are on tap for the next several months. Drop by and visit us during one of our monthly presentations the next time you are in the DC area (schedule at www.washingtonscea.com).

Board News

Our Chapter Annual Business Meeting was held on 30 October 2008 at the Washington Golf and Country Club in Arlington, VA. An early evening reception was held followed by a presentation by the Board of Directors. Thanks to all that attended.

Board Elections (2009 – 2011 Term)

Our Chapter is electing new board members for the 2009 – 2011 term, which will be effective 1 July 2009. An initial slate of candidates is being developed by our Election Committee chaired by **Jeff Moore**. The election will take place in early May. Contact Jeff at Moore_Jeffrey@bah.com or 540.288.5002 with any questions related to the elections.

Interested in Getting Involved?

Interested in attending or presenting at our monthly luncheons, attending our monthly Board Of Directors Meetings, or need more information on the Chapter? Check out our Web site at www.washingtonscea.com.

(Left) Agnes Nanu of BAH presents “Introduction to Function Points” during Fall 2009 Training Workshop at George Mason University. (Right) Washington DC SCEA Chapter Board (from left to right): Secretary Jeanne White, Vice President Jeff Moore, Membership Chair Michelle Enright, Treasurer Dave Stem, President Debra Lehman, and Programs Chair Tim Anderson.





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Basic Requirements:

- Qualified candidates should have experience in cost estimating for Defense, Intelligence, or other US federal government systems or programs.
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- Government/Industry Certification is a plus.

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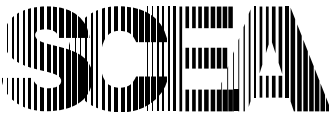
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