# Estimator

The Society of Cost Estimating and Analysis

Fall 2010

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- Information about the upcoming 2011
   Conference in Albuquerque, NM
- 2011 Conference Call for Papers
- Reports from SCEA Leadership
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# Estimator

#### NATIONAL

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#### 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

this issue of *The National Estimator*, you'll find numerous articles recapping the various aspects and events of our 2010 Joint Conference with the International Society of Parametric Analysts (ISPA). The conference, held in San Diego, CA, was the most successful we've ever held and resulted in more than 600 participants, almost 90 professional papers, and three dozen training sessions. This conference was as successful as it was because of the significant commitment of time and energy on the part of dedicated volunteers and the National Office staff. Without the many volunteers, instructors, and speakers who donated their time, a conference of this magnitude would not be possible, and for that, I, on behalf of the entire SCEA Board of Directors, thank you from the bottom of our hearts.

### **SCEA** and **ISPA** Jointness

These Joint Conferences don't just happen. About 15 years ago, SCEA and ISPA decided to cooperate, and in the intervening years, these two sister cost organizations continued to evolve the conference model. In 2005, the two societies decided to expand their cooperation through a formal jointness agreement. As part of this jointness agreement, it was determined that the primary purpose would be to identify and coordinate on cost community-wide, mutually beneficial areas. The agreement called for a conduit to identify specific mutually beneficial areas, where joint activities and merged processes would best serve our respective members, and the responsibility fell on the Board-appointed Jointness Committee. The Jointness Committee is currently co-chaired by Neil Albert and Hank Apgar. One recent task taken on by the Jointness Committee was a survey of SCEA and ISPA members, designed to identify what members of both societies feel are important areas of focus for SCEA and ISPA in the future. The survey was sent out this past Spring. The results were presented to the Boards of SCEA and ISPA at the Joint Conference. The responses proved to be quite interesting and well worth a mention in this column.

 A total of 681 responses were received, 624 of whom were SCEA-only or members of both societies and represented nearly one-third of SCEA's membership.

- 82% of the respondents have more than 6 years experience, and more than half of those have more than 16 years of experience.
- 70% of respondents do not have any other professional society affiliation, and two-thirds of the respondents want to continue with joint SCEA and ISPA activities.

This information provided some important insight to the SCEA Board, not the least of which is that, for many of our members, SCEA is their primary link to a wider cost community. With that in mind, SCEA plans to continue working toward extending our relationship with ISPA with a 2011 Joint Conference in Albuquerque, NM. In addition, SCEA and ISPA have held several successful joint Chapter meetings in the Los Angeles area over the past few years.

### Still Reaching Out to the Cost Community

Others organizations with whom SCEA has maintained long-standing relationships include the College of Performance Management (CPM), an affiliate of the Project Management Institute (PMI), and the National Defense Industrial Association (NDIA). Together SCEA, CPM, and NDIA have jointly sponsored the Integrated Program Management (IPM) Conference for many years. This year, the IPM Conference will be held at the Bethesda North Marriott Hotel & Conference Center, Bethesda, MD, from November 8–10, 2010, and will feature a SCEA-organized cost estimating track with six outstanding presentations.

SCEA has also worked with National Contract Management Association (NCMA) to establish a relationship that has resulted in each organization presenting papers and training briefs at the other's annual conference.

#### The Ins and Outs of Certification

All of this talk about joint conferences brings me to the discussion of professional certification (another important aspect of our member survey). For a number of years, SCEA has had a CCEA (Certified Cost Estimator Analyst) designation. To obtain this prestigious designation, a person was required to have a college degree,

have at least 5 years of relevant experience, and obtain a passing grade in a challenging two-section exam. In 2009, SCEA instituted a second level of professional designation, the PCEA (Professional Cost Estimator Analyst). The PCEA requires 2 years of relevant experience, as well as a passing grade in section 1 of that same two-section exam. For the past year and a half, the Society has focused on assuring that these exams remain challenging but fair. I am happy to report that, with the current version of the exam, we have met that challenge. We have 589 people with a CCEA designation and 49 more with the PCEA designation. Congratulations to all of those who have attained these professional designations!!!

### **Professional Training Expanded**

Other areas receiving recognition in the Jointness survey were professional training and the Cost Estimating Body of Knowledge (CEBoK<sup>TM</sup>). The Society's Board of Directors also strongly believes in these two areas, and we believe they go hand-in-hand with our certification program.

This belief was recently reconfirmed to the Board when a group of our Japanese members approached the Board with a proposal to establish a new region, Japan SCEA. Through this agreement, our members in Japan will be able to capitalize on the investments SCEA has made in certification and training without the National Office needing to devote a portion of its limited capital in translating these products. In the coming months, Japan SCEA will meet its own needs by holding a Japanese Regional Conference, publishing Japanese-language periodicals, and maintaining a Japanese member database and a tailored version of the PCEA. The SCEA Board sees this as an exciting development, not to mention a model that can be used in expanding SCEA's principals to other nations attempting to strengthen the practice of cost estimating and analysis.

#### **Elections**

As current Past President, **Dan Nussbaum** has the responsibility of chairing the Election Committee for the upcoming 2011 SCEA National Board Election. As we approach the 2011 election cycle, we invite all members to think about the upcoming election. If you know of anyone who you think might be a good candidate for any of the SCEA National Board positions, urge him or her to contact Dan at dnussbaum@nps.edu for inclusion on the ballot.

### **Changes at National Headquarters**

Some of you may be aware that **Elmer Clegg**, our hard working and energetic Executive Director, recently decided to step down for personal reasons. As someone who has worked closely with Elmer for many years, I can tell you from a personal perspective I feel this loss more than probably any other individual. Elmer certainly made my job easier, and I will miss being able to talk things over with him. I know I speak for many of us when I wish him the best in life and health. With Elmer's departure, I have asked **Erin Whittaker** to fill the void of the Executive Director position. She has taken over as Manager of Office Operations. I know Erin will do an outstanding job, so please join me in wishing her the best in this new role. Feel free to call or e-mail Erin at the National Office with your congratulations.

### A Sad Good Bye to Max Steinbuchel

SCEA has lost a longtime member and former President of one of its predecessor organizations, **Max Steinbuchel**. SCEA was formed by the merger of the National Estimating Society (NES) and the Institute of Cost Analysis (ICA) 20 years ago. At that time, Max was the President of NES and was instrumental in the merger of the two societies. Prior to being elected NES National President in the late 1980s, Max served as NES National Vice President, and prior to that time, he was the Chapter President of the Southern California Chapter. Max also received NES's prestigious Estimator of the Year (Management) Award.

Max saw the benefits that could be gained through the merger of NES an ICA early on, and he played a major role in the societies holding their first Joint National Conference in Huntsville, AL, in 1988. In 1990, Max served as the Conference Chair for the Joint Conference in Phoenix, AZ. This conference was where the two Boards held the critical merger discussions and eventual vote that led to the formation of SCEA.

I first met Max in 1988, at the Huntsville Joint Conference, and as I recall from our discussion, he started his estimating career at McDonnell Douglas Aircraft in St. Louis, MO, and subsequently moved to the company's Huntington Beach facility. Later, Max worked for Motorola, which was eventually acquired by General Dynamics.

SCEA will be forever indebted to farsighted people like Max, and I hope you will join me in extending our condolences to the Steinbuchel family.



### Letter from the Editor

By Vicki Kitchens, National Estimator Editor

#### **Dear Fellow SCEA Members and Staff:**

wanted to take this opportunity to let you know that this is my last issue as your editor for *The National Estimator*. I have enjoyed my tenure here, and I appreciate having had the opportunity to lead the development of this great publication. My job could not have been accomplished without our terrific staff at the National Office — **Erin Whittaker**, **Sharon Burger**, **Joseph Wagner**, and **Elmer Clegg**. I want to especially thank Erin; she made my job easy! Thank you for your support, guidance and encouragement you have provided to me during my time with *The National Estimator*. I'd also like to take this opportunity to welcome our new Editor, Joseph Wagner. Joe held the position right before me, and with his experience and enthusiasm, I'm sure *The National Estimator* will maintain the high-quality content we have all come to expect and appreciate.

I am pleased that my final issue is one so full of information about SCEA's recent achievements. In this issue, you'll find articles about the 2010 Conference in San Diego, CA, which was a great success! If you weren't able to attend the conference

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#### Send your submissions to:

- → Stephen Book, Editor, at sbook@mcri.com
- Edward (Tony) White, Editor, at stat.associates@gmail.com

Questions?

Contact Christian Smart, Managing Editor christian.smart@mda.mil



(or if you were and just want to relive all the excitement), take a moment to read our Conference wrap-up article (and take a look at the great pictures taken by **Joe Wagner** and **Christina Kanick**).

You can also read about the Annual Award Winners and the Best Paper Award winners. The Best Papers can be viewed on the SCEA website at www.sceaonline.org > Products > Awards > Best Papers.

This issue also features information about our upcoming 2011 ISPA/SCEA Conference in Albuquerque, NM. There's a lot to do in that historic southwestern town, and I hope you make it out there to enjoy it!

Although I will no longer be in charge of our publication, I will continue to remain involved in SCEA. SCEA has seen a lot of growth and new direction in the past few years and it is because of the dedication, vision, and volunteer spirit of our members, officers, and staff. I wish our current and prospective members and current staff the best of luck in the continued development and growth of the society and of this publication.

## SCEA & ISPA Joint Office Operations



By Erin Whittaker, SCEA National Office

been an exciting year for SCEA, filled with many changes. As membership grows and our processes transform, the Joint Office continues to strive to offer our members the best service and support possible.

### **Personnel Changes**

After many years of dedicated work with SCEA, Executive Director **Elmer Clegg** decided to retire in May, moving on to pursue new goals. In the near-term, he will stay on in a consulting capacity to help with the transition. **Erin Whittaker** will assume the position of Office Manager, taking on more of a leadership role, while continuing to work on projects like conference planning and SCEA publications.

The level of customer service members expect from the Joint Office will not wane, as we have hired an eager and energetic college graduate to take over as Membership Services Assistant. **Erica Wilkening** is a recent graduate of Virginia Tech, whose customer service experience and event planning know-how will be an invaluable asset to SCEA.

#### **Conferences**

This issue of the *Estimator* features photos and articles about the 2010 SCEA/ISPA Joint Annual Conference & Training Workshop in San Diego, CA. The event was one of our most successful ever, with almost 600 attendees from seven countries, 30 guests, 85 papers and 36 training workshops. This year was also the first year that we featured Exhibitor Sessions, giving exhibitors the chance to present information about their products and wares to a specialized audience, and giving attendees additional program options on Tuesday. There was something for everyone, including two intriguing keynote speakers and an insightful panel discussion, professional development and training opportunities, and chances to network at the attendee reception and offsite Reception and Awards Banquet at the San Diego Air and Space Museum. I'd like to thank Conference Co-Chairs Mike Thompson and Doug Druley whose tireless planning was a big factor in the overall success of the conference. Paul Marston, Andy Prince, Peter Braxton, Bethia (Cullis) Burke, Sherry Stukes, and all their track chairs deserve recognition for their work coordinating the program and training. Additionally, thanks go to the volunteers from the San Diego SCEA

Chapter for their on-site support, which was much needed at a conference that exceeded everyone's expectations for attendance numbers. I can't imagine having registered 600 people *without* their help. Be sure to visit the SCEA website at www.sceaonline.org for follow-up conference information, including photos taken by **Joseph Wagner** and **Christina Kanick**, and a few conference presentations not included on the proceedings CD.

The 2010 IPM (Integrated Program Management) Conference will be held November 8–10 at the Marriott Bethesda North Hotel & Conference Center in Bethesda, MD. This event, which is the leading earned value management conference, is jointly hosted by SCEA, PMI College of Performance Management, and NDIA. This will be our first year at the Bethesda North Marriott, and we are excited about the change of scenery as well as the conference highlights, including dynamic keynote speakers, a program packed with training and networking opportunities, and a cost estimating integration track





chaired by **Bill Haseltine.**For more information, see the ad included in this issue of the *Estimator* or visit the IPM website at http://www.

pmi-cpm.org/pages/events/IPM10/conf program.html.

In this issue you will also find information about the 2011 ISPA/SCEA Conference & Training Workshop in Albuquerque, NM. This Conference will be held at the Hyatt Regency in downtown Albuquerque, with ideal access to all the exciting options this city has to offer. The Conference will be a great chance to brush up on your skills, train for the CCEA exam, and network with colleagues and peers, all while enjoying the picturesque scenery of Albuquerque. Be sure to check out **Joe Wagner**'s article in this issue of the *Estimator* for information about the 2011 Conference and how to submit an abstract for the Call for Papers.

#### Certification

After developing and beta testing the new CCEA exam, we have an exam that we feel accurately tests for professional competency. A working group of SCEA volunteers, under the direction of Director of Certification **Peter Andrejev**, are currently developing a database of new exam questions and working on enhancements to the case study.

We've had 98 people sit for the exam in 2010 so far, and we expect many more to sit for the exam in November. At the time of this writing, 589 people hold the CCEA credential; 49 people hold the PCEA credential.

The recertification process can be cumbersome, with all the points, CEUs, papers, and conference attendance records to keep track of over a 5-year period, which is why SCEA is pleased to announce our new on-line Recertification-By-Points system. This is a members-only benefit (you must log in to get access), allowing you to track your points *as* you accumulate them, rather than after.

#### **CEBoK™**

Upon the release of our training product, the Cost Estimating Body of Knowledge (CEBoK<sup>TM</sup>) in April 2009, the National Office offered an upgrade discount for those who had previously purchased CostPROF (SCEA's predecessor training product). I'm pleased to announce that we've extended this offer until December 31, 2010. If you still have not upgraded to CEBoK,

what are you waiting for?! CEBoK features expanded content and is a must-have for your reference library. For more information, contact the National Office at scea@sceaonline.org.

### **Membership**

SCEA membership shows robust growth. We invite everyone to keep track of their membership status and expiration date by viewing the list of member names and expiration dates on the SCEA website at http://www.sceaonline.org/membership/currentmembers.cfm. Remember, you can renew online by logging in to the SCEA website and going to the "Membership" tab at the top of the page and clicking on "Members" and then "Renew Membership."

Thanks to the efforts of **Mike Thompson**, the SCEA Board of Directors recently approved the charter for a new SCEA Region – in Japan! The region will be referred to as JSCEA. Be sure to read Mike Thompson's Chaptering and Membership Article about JSCEA.

### **Journal of Cost Analysis and Parametrics**

We are looking for submissions for the *Journal of Cost Analysis and Parametrics*. If you presented a paper at the 2010 ISPA/SCEA Conference, why not submit it for possible publication in the *Journal*? Submit papers to either Tony White (stat.associates@gmail.com) or Steve Book (sbook@mcri.com), *JCAP* co-editors.



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### **SCEA Certification Director's Corner**

By Peter Andrejev, Director of Certification

continues to see not only an increase in membership but an increase in the number of those seeking and achieving certification. Between April and June of this year, the certification examination was administered to 97 individuals, which is guite a leap

from just two years ago when 96 individuals sat for the exam in the entire year of 2008. SCEA currently has 589 individuals who hold the Certified Cost Estimator / Analyst (CCEA) designation compared to just 426 in 2008. In addition to the 589 CCEAs, 49 individuals have been awarded the Professional Cost Estimator / Analyst (PCEA) designation.

# Callon

SCEA is grateful for the following individuals who volunteered their time to administer the exam in 22 locations since the spring issue of *The National Estimator*: Timothy Anderson, John Bates, Christopher Blake, Dr. Samuel Cooke, Cindy Coon, Dennis Dal Pra, David Harris, Kelly Kane, James Smirnoff, William Wiltschko, Glenn Gross-

man, John Leahy, Brooke Musselman, Pat Zedaker, Chuck Casserly, James Hamilton, Ken Hunt, Donnie Hustrulid, Elmira Mukailova, Richard Osseck, Lauren Queen, Douglas Reimel, Ann Sylvester, Mohamed Talaat Abdel-Rhman Elsheikh, and Linda Turner.

Congratulations to the following individuals who achieved certification since the last Estimator

#### Certified Cost Estimator/ Analyst (CCEA):

Roy Bank **Bruce Broussely** Teresa Brown Sharon Burnette Craig Callahan Peter Chrzanowski Carl Conder Steve Dargis Nathan Dickerson Paul Frink Amit Gulati Ann Hawpe Gayle Ingram Anna Irvine **Timothy Jamison** 

Neala Jones Molly Kihara Edward Kobilarcik Patricia Lehman James Linick Kellie McNamara Stephen Melville Timothy Miller Ann Moffatt

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**Beniamin Powers** Shalini Puri

Kevin Schutt Mary Anne Scully Steven Sheamer Greg Tomberlin

Bryn Turner Brian Ullrich Andrew Walker Kevin Walker Daniel Wong Gary Zarlengo

#### **Professional Cost** Estimator/Analyst (PCEA):

Christopher Dewberry Matthew Honeycutt Christopher Jerome Stephen Ketcham David Macdonald Eric Tarantino

Below are those who passed both parts of the exam, were awarded the PCEA and will earn their **CCEA** upon reaching five years of experience in the cost field:

**Brad Ashford** Stacy Dean

Zachary Hunt Steven Ikeler Linda Kim Lauren Queen Raymond Radovich Abhishek Sauray Andrew Serfass Narissa Vania Robert Wade

#### **SCEA** recognizes those who have sustained their certification through recertification:

Alicia Bridges Michael Brozyna Jeffrey Clish Bill Haseltine Mark Pesola Joe Puckett Greg Raby

### **Chaptering & Membership**

By Mike Thompson, Chaptering and Membership Chair

have been some big and exciting developments in SCEA chaptering and membership recently. Membership levels continue to be high, with current membership exceeding 2,000 people — up considerably from the same time last year.

### Japan Society for Cost Estimating and Analysis (JSCEA)

The most notable recent development is the welcoming of Japan SCEA, which was voted on at the June Board of Directors meeting. Japan SCEA will essentially be treated like a new Region, with the leader of that region representing the organization on the SCEA Board of Directors

For several years, the Japanese Ministry of Defense (MoD), Japan Aerospace Exploration Agency (JAXA), and other agencies have been implementing earned value management (EVM) in their work, and the leaders of these organizations now feel that cost estimating and analysis need to play a bigger role. By establishing JSCEA as a regional organization, there will be an opportunity to provide education and training in the cost estimating discipline and create the basis for establishing a Japanese capability in cost estimating. JSCEA (as the new Region will be called) will begin with a chapter in Tokyo and then, as the need arises, expand throughout Japan.

The expectation is to establish JSCEA as a focal point for Japanese understanding and using cost estimating. JSCEA will establish its own newsletter and educational support for new members, translate CEBoK into Japanese, and utilize SCEA material for future certification, initially creating a certification program and recruiting JSCEA members.

The pro-tem officers for JSCEA are as follows:

- President Ysushi Horikawa
- Vice President Toru Hotchi
- Treasurer Chie Okajima
- Secretary **Yasuaki Iwabuchi**. Join us in welcoming JSCEA to the Society!

#### **Member Outreach**

The Hampton Roads Chapter has developed a member survey to gauge the various interests of its members. If any other chapter has questions about this survey or interest in using the survey, email me at mthompson@mcri.com.

### **Chapter Reinstatement**

We would also like to announce that the Twin Cities Chapter has completed all of the requirements for reinstatement. The Board will vote on reinstatement at the October Board of Directors meeting, and I look forward to announcing the result in the Spring 2011 issue of *The National Estimator*:





### **Training Corner**

By Bethia Burke, Training Chair, bethia.burke@gmail.com

Bethia, new last name! As many of you who attended this year's Joint Conference in June may have heard, I was recently married and changed my name from "Cullis" to "Burke".

The Joint Conference training is the focus of this installment of the **Training Corner**.

### Joint Conference Training

The 2010 ISPA/SCEA Joint Annual Conference in San Diego marked the fourth straight year of our highly successful joint training program with the International Society of Parametric Analysts (ISPA). The foundation of the conference training continues to be the acclaimed Cost Estimating Body of Knowledge (CEBoK<sup>TM</sup>), which is the basis for the entire Fundamentals track. Sherry Stukes again served as the ISPA Chair and, with help from Roy Smoker, ensured that the 10 sessions based on ISPA's Parametric Estimating Handbook (PEH) material were staffed with worldclass instructors and ran smoothly. This was my first conference as Training Chair, and I am in the debt of my conference co-chair, former Director of Training and current Director of the Body of Knowledge, Peter Braxton. Peter's knowledge and guidance made the execution of the event possible, and I personally appreciate his ever-present good nature and support.

As is true every year, the success of the conference training is directly due to an extremely talented, generous, and dedicated corps of volunteers who take time away from their own conference-going experience to share their insights with the rest of the community. My deepest appreciation goes out to all of the following: **Kyle Thomas** who chaired the Fundamentals Track; **Amanda Flynn** who chaired the Practitioner Track; **Tucker Moore** who chaired the Integration Track; and **Chrissy Kanick** who oversaw the track chairs and filled in whenever and wherever

necessary. We were fortunate to have instructors from across the estimating community in each of our three tracks. Fundamentals Track instructors included Tom Dupré, Kent Joris, Sam Toas, Dick Coleman (who also taught in the Practitioner Track), Peter Braxton, Bethia Burke, Justin Knowles, Eric Druker (who also taught in the Integration and Practitioner Tracks). Tom Dauber, Brian Octeau, Greg Hogan, Tucker Moore, and Amanda Flynn. Jason Dechoretz, Kerry Sheehan, and Chrissy Kanick taught in the SCEAbased Practitioner Track sessions, and the SCEA Integration Track instructors included 2010 Lifetime Achievement Award Winner Steve Book, Rob Currie, Rick Collins, Sue Robinson, Allison Horrigan, Walt Majerowicz, Joe Dean, and Stephen Osborn. Look for more on the San Diego Conference recap elsewhere in this issue.

Finally, I would like to thank all the active and interested participants who attended the training sessions. It's much easier and more enjoyable to teach a class full of engaged students, and we learn from you both in the class and from your comments; thank you for your contributions to both!

We always need new instructors, so if you would like to contribute to the conference training or know a colleague who make a great instructor, let me know. We'll see you in Albuquerque in 2011.

#### Estimator of the Year

On a personal note, I was honored to be designated the SCEA Estimator of the Year for Contributions in the Field of Education. I have been extremely fortunate in the opportunities I've had to participate in furthering the education of our profession — opportunities that I have not only enjoyed but also learned a great deal from. I owe *another* thank you to **Peter Braxton**, who accepted the award in my absence! All of the 2010 award winners can be viewed online at http://www.sceaonline.org/awards/awards.cfm.

### What Do You Know?



By Peter Braxton, Director, Body of Knowledge, Peter.Braxton@tasc.com

elcome to the second installment of my new column, highlighting activities related to the cost estimating and analysis body of knowledge. In this issue, I focus on the ongoing improvement of CEBoK<sup>TM</sup>, SCEA's flagship product.

#### **CEBoK Maintenance**

If you're reading this article, I hope you hold an individual or organizational license to the Cost Estimating Body of Knowledge (CEBoK) version 1.0. (If not, visit the SCEA website for ordering information.) Your current license covers a free, three years' worth of maintenance upgrades, and in its annual budget, SCEA has committed to funding this activity. SCEA issued the first task order on the CEBoK maintenance contract in June, comprising 103 proposed changes, to be completed prior to the Board of Directors meeting in mid-October. The resulting update should be released shortly thereafter as CEBoK version 1.1. (See the next section for more details.)

We're still pursuing an online CEBoK feedback form, but in the meantime, email me with any suggestions you have for improving CEBoK. Our goal is to continue to expand the content; reflect external updates (e.g., the latest DoD 5000 series); incorporate the latest research; enhance the explication of the material, including more robust speaker notes; and correct any lingering errors, typographical or otherwise. All the while, we'll maintain the cross-linking and interoperability that help make CEBoK such a valuable resource in support of training, certification preparation, and day-to-day project work.

#### **CEBoK Version 1.1**

The set of changes to be reflected in version 1.1 spans all 16 modules. I am particularly indebted to **Dick Coleman** for implementing changes in the Data Collection and Normalization, Basic Data Analysis Principles, Regression Analysis, and Cost and Schedule Risk Analysis modules, and **Matt Pitlyk** for implementing changes in the Probability and Statistics, Manufacturing Cost Estimating, and Software Cost Estimating modules, as well as a thorough proof-read of all modules and a yeoman's job on updat-

ing the bibliography (see next section). Reviewers whose suggested changes are being implemented include Paul Hardin, Jay Jordan, Jeff Cherwonik, Doug Arthur, Bethia (Cullis) Burke, Mike Jeffers, and Mike Gallo. Newly-cited papers include those by Kevin Cincotta, Sarah Grinnell, Eric Druker, Christina (née Kanick) Donadi, Steve Book, Nathan Menton, and myself.

### **CEBoK Bibliography**

As noted previously, CEBoK includes a bibliography of more than a thousand helpful references for the practicing cost estimator. As of version 1.1, those will be augmented with all the papers presented at the DoDCAS and SCEA/ ISPA Conferences from 2009 and 2010, bringing the total to over 1300. Thanks to the work of Matt Pitlyk, emails were sent to hundreds of authors with multiple papers in our current database, asking them to verify the current listings and provide any additional papers we may have missed. Many thanks to those who responded, too numerous to list here. If you haven't yet had a chance to respond to Matt, it's not too late. If you didn't receive an email from him, feel free to contact me at Peter.Braxton@tasc.com with information pertaining to your papers and other publications, both listed and omitted. Any contributions that miss version 1.1 will be included in version 1.2.

#### **CEBoK Contributors**

While a core development team from TASC and a core review team from Technomics were instrumental in the delivery of CEBoK, as recognized at the SCEA/ISPA 2009 Conference in St. Louis, there have been many others who have made significant contributions. As of version 1.1, CEBoK will include a new "Acknowledgments" slide at the beginning of each module to more visibly recognize the myriad contributions of individuals across many organizations to the development, review, and maintenance of CEBoK and its predecessor, CostPROF. Going forward, it will be increasingly important to garner inputs from CEBoK users across government and industry, representing various perspectives and commodities. If you'd like to volunteer to serve on a CEBoK Advisory Board of sorts, please contact me at Peter.Braxton@tasc.com.

# Another Opportunity

By Joseph Wagner

Iright, I admit that "much the same" is a phrase that could be fairly applied to the ISPA/SCEA conferences. From year to year, we see many of the same corporate attendees and exhibitors, a similar training curriculum, some of the same presenters, and the same general timeline of events. But one of the important things that is not the same from year to year is the location. Activities outside the walls of the conference venue can really make a great experience. Every year, the host area offers new opportunities to explore and experience a different world surrounding the location.

In 2007, it was New Orleans and the French Quarter; in 2008, Industry Hills, California, and the surrounding Greater LA area; in 2009, St. Louis and the Arch and Gateway Museum. In 2010, we saw the San Diego harbor, and the Balboa Park Air & Space Museum. In 2011, we are off to Albuquerque, New Mexico, and a return to the great American Southwest. Our last conference visit to that part of the country was in 2002 in Scottsdale, Arizona. It's not too early to look at what's happening in New Mexico, and begin to make plans for experiencing this unique and interesting part of America.

First, the big picture. If you arrive for the Conference (June 7–10) the weekend before or stay over the weekend after, you'll be able to drive out from Albuquerque to visit many of the surrounding points of interest in north central New Mexico, such as:

Trail National Scenic Byway. This beautiful and historic area encompasses 15,000 square miles in the heart of New Mexico, linking Albuquerque and the capital of Santa Fe. Enjoy a breathtaking view from atop Sandia Crest, then drive back into history through the mining towns of Golden, Madrid, and Cerrillos, coming alive with art, crafts, music, museums, and restaurants.

American and southwest-influenced galleries and shopping districts, Santa Fe is New Mexico's capital. History lives in the Palace of Governors on Santa Fe Plaza, built by the Spanish in 1610. The San Miguel mission (completed 1628) is the oldest church in America. Take in the farmer's market or try your luck at the numerous Pueblo casinos located within minutes of the city.

### <u>Kasha-katuwa tent rocks</u>

Santa Fe and Albuquerque, this outdoor wonder includes a 1.2-mile trail that leads through a canyon to

a lookout point where the tent rocks may be viewed from above. The area owes its remarkable geology to layers of volcanic rock and ash deposited by a volcanic explosion. Over time, weathering and erosion of these layers has created canyons and tent rocks.

### CHACO CANYON NATIONAL

northwest of Albuquerque, you can find the extensive ruins of the greatest architectural achievement of northern American Indians. Known as the Chaco Canyon complex, the site was the main social and ceremonial center of the Anasazi culture. The Anasazi construction occurred throughout Chaco Canyon from AD 900 to I 100, resulting in the development of sophisticated dwelling complexes. The site is run by the National Park Service.

Closer to the Conference at the Albuquerque Hyatt
Regency in downtown Albuquerque are activities such as:

ries you almost four-thousand feet up the Sandia Mountains. Then, take in the view, hike the trails, or enjoy dinner at the High Finance Restaurant.

dates back to the founding of the city in 1706. Today, it is a popular shopping destination that comprises about

10 blocks of historic adobe buildings grouped around a central plaza. Many of the buildings in Old Town are houses that have been converted into restaurants and small art shops. On the north side of the Plaza is San Felipe de Neri Church, the oldest building in the city built in 1793. The Albuquerque Museum, New Mexico Museum of Natural History and Science, and Explora Science Center and Children's Museum are close by.

INDIAN PUBBLO CULTURAL CENTER Located in northwest Albuquerque, the Cultural Center is owned and operated by the 19 Indian Pueblos of New Mexico and is dedicated to the preservation and perpetuation of Pueblo Indian culture, history and art. It showcases the history and accomplishments of the Pueblo people, from Pre-Columbian to current time. The center includes a museum, including a small, changing exhibit that highlights the work of living traditional and contemporary artists. Traditional Indian dances and artist demonstrations are open to the public on Saturday and Sunday.

PETROCKYPH NATIONAL MONUMENT This National Park Service site protects a variety of cultural and natural resources including five volcanic cones, hundreds of archeological sites, and images carved by Ancestral Pueblo peoples and early Spanish settlers. Many of the images are recognizable as animals, people, cattle brands and crosses; others are more complex. The Monument is located on the western edge of Albuquerque.

In addition, the city hosts numerous concerts and festivals and

other events throughout the month of June, including Summerfest — an outdoor music festival, Zoo Music Concert (every Friday evening) at the Rio Grande Zoo, Salsal Jazz/Blues Under the Stars and Sculpture Garden Tours at the Albuquerque Museum of Art & History, and Summer Nights at the Albuquerque Aquarium and Botanic Garden. You can take a private balloon ride or rent a bicycle for touring. The city offers hundreds of places for fantastic dining and entertainment, as well as many local vineyards for sampling. There are also numerous Pueblo casinos and golf courses throughout the city and nearby locations. You can overwhelm yourself with planning opportunities by visiting the official Albuquerque tourist website at http://www.itsatrip.org.

All in all, I cannot wait for next June and the chance to combine our high-quality conference at the Hyatt Regency with the unique cultures, outdoor experiences, and special entertainment opportunities surrounding us in the great American Southwest city of Albuquerque, New Mexico.







## 2011 ISPA/SCEA Joint Annual Conference & Training Workshop

7-10 June 2011 Albuquerque, New Mexico

### Call for Papers

Submit your abstract by 10 January 2011

The Joint Conference Committee is seeking technical papers covering a wide variety of cost estimating and cost analysis topics, including:

- Hardware Estimating
- Cost Estimating Models
- Software Estimating
- International Cooperation
- Life Cycle Cost Analysis
- Cost Methodologies/Applications
- System of Systems Estimating

- Parametric Cost Estimating
- Earned Value Management
- Total Ownership Cost Reduction
- Risk Analysis
- Cost as an Independent Variable
- Joint Confidence Level
- Affordability

This is a great opportunity to demonstrate your expertise and contribute to the advancement of the profession. The schedule for this year's conference is as follows:

Abstract Submission	10 January 2011	To upload materials, select the "Call
Author Notification	7 February 2011	for Papers" link in the Calendar menu
Final Submission	28 March 2011	on the SCEA website (www.sceaonline.org).

If you have questions or need additional information about the Conference Program, please contact the Program Chairs:

Sherry Stukes sherry.a.stukes@jpl.nasa.gov (818) 393-7517 Paul Marston pmarston@mcri.com (978) 528-4394



## 2010 ISPA/SCEA Joint Annual Conference & Training Workshop

San Diego, CA • 8-11 June 2010

By Mike Thompson, Conference Co-Chair

he 2010 Joint Annual ISPA/SCEA Conference was attended by 600 registered participants and 30 guests. It was the best-attended joint conference since ISPA and SCEA began having conferences together. The 2010 Conference was held at the Sheraton Harbor Island, in San Diego, CA, under the occasional sunny skies (due to what the locals call "June Gloom"). Too busy to notice the atypical weather, the conference produced several impressive statistics: 85 professional papers were presented; there was standing-room only for all sessions on Tuesday, both in Training and Exhibitor Sessions; and 40% of the total attendees were first-timers to the ISPA/SCEA conference. The conference also attracted participants from new government organizations that traditionally haven't participated — FBI, IRS, and FAA.

Even with all of the activities going on at the conference, some attendees found time to see a bit of San Diego, including Balboa Park, Torrey Pines Golf Course, La Jolla, the Gas Lamp District, and the USS Midway. There was even a conference outing to the San Diego Air and Space Museum. On Thursday, June 11, attendees headed over to the museum to enjoy a reception and Awards Banquet, where they could mingle and unwind while admiring the museum's many exhibits. Best Paper Award winners and 2010 SCEA Annual Award winners were honored at this banquet.

#### **Award Winners**

You can read Debra Lehman's article (page 18)about the 2010 National Awards for some more information about each winner, but I'd like to take a moment here to congratulate the winners of the following 2010 SCEA Annual Awards:

- 2010 Lifetime Achievement Award for Outstanding Contributions to the Profession of Cost Estimating and Analysis Dr. Stephen A. Book
- Technical Achievement Timothy P. Anderson
- Contributions in the Field of Education -Bethia (Cullis) Burke

- Service to the Society Michael Thompson
- Contributions in the Field of Management Richard B. Collins, II

We had many outstanding papers presented at this conference, but unfortunately, only a select few are chosen as Best Paper Award winners. You can read **Mel Etheridge**'s Best Paper Award article for more information about the winners and the judging process, but I'd like to take a moment to congratulate all the Best Paper Award winners: Bob Hunt, Nhung Tran, Eddie Hall, Dr. Mun Kwon, Sidharta Sahirman, Dr. Michael Beltramo, Emily Beltramo, Rick Collins, Brian Torgersen, Dr. Shu-Ping Hu, Mark S. Schankman, John Reynolds, Jennifer Leotta, and Conference Best Paper winner Dr. Christian Smart.

#### Thank you. . .

A conference such as this is not successful just because of the location (although in 2010, it helped); planning and coordination began before the 2009 Conference was over, and the well-organized and highly-successful conference that resulted was the product of the tireless efforts put forth by many individuals. I thank all who helped make the 2010 Conference a success: the SCEA and ISPA Boards of Directors; **Sharon Burger**, Joe Wagner, and Erin Whittaker of the National Office; and volunteers for the various conference chair positions — Peter Braxton, Bethia (Cullis) Burke, and Sherry Stukes (Training), Doug Druley (ISPA Conference Co-Chair), Mel Etheridge and Jairus Hihn (Best Papers), Debra Lehman (SCEA National Awards), Paul Marston and Andy Prince (Programs), and Erin Whittaker (Facilities/Publicity, and Proceedings). Track Chairs included Hank Apgar, Kurt Brunner, Diane Butler, Jesse Celis, Rick Collins, Andrew Drennon, Claude Freaner, Jairus Hihn, Greg Hogan, Parl Hummel, Bob Hunt, Francisco Rojo, Leigh Rosenberg, and Ryan Welch. Lauren Queen coordinated the volunteers from the San Diego Chapter, and our thanks go out to Lauren and her team Michael Vargas, Anthony Balistreri, Jessica Miller, Kevin Rathbun, and **Kevin Venable** for their on-site support.











### **Sponsors and Exhibitors**

Sponsors and exhibitors play a very important role in the success of a conference, providing a forum for the gathering of information in the exhibit hall and Exhibitor Sessions. At the 2010 Conference there were 10 sponsors and 14 exhibitors. We'd like to thank each and every one of them for the important role they played in making this conference a success.



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The annual ISPA/SCEA conference provides opportunities for relative newcomers to the profession to learn through training and professional paper presentations; mid-level analysts an opportunity to gain knowledge to attain professional certification; and senior-level analysts and managers an opportunity to train, submit research, and organize the conference into a meaningful mix of giving and receiving knowledge from noted icons in the business. It is through the support and participation of members and the organizations they represent that we can continue to move forward. Plan now to attend the 2011 ISPA/SCEA Joint Annual Conference & Training Workshop June 7 – 10, 2011 in Albuquerque, NM.

Note: Photos on pages 17–23 provided by Christina Kanick and Joseph Wagner.

### SCEA National Awards

By Debra Lehman, Annual Awards Chair

s Chairperson of the 2010 SCEA National Awards Committee, I, along with the Awards Committee, had the rewarding job of honoring fellow estimators/analysts for their work achievements and SCEA volunteer efforts. We received many nominations for the SCEA Annual Awards this year, and with such deserving nominees to choose from, deciding on just one winner in each category is no easy task. I'd like to thank everyone who submitted nominations, as well as everyone who was nominated. I'd also like to thank the members of the Awards Committee – Peter Meisl, Ray Covert, Bob Devaney, Jeanne White, Jeff Campbell, Major Scott Willette, and Fred Janicki, who helped me make these decisions. Volunteerism such as this is what helps SCEA thrive.



### **Timothy Anderson** — Cost Estimator of the Year Award for Technical Achievement

Tim Anderson was recently a Technical Manager for MCR, LLC's Technical Leadership Group and is currently in a senior leadership position at the Aerospace Corporation. He is a SCEA Certified Cost Estimator/Analyst with over 15 years of experience in the cost analysis and operations research fields. Tim is also a member of the DC Metro SCEA Chapter Board, and an adjunct professor at George Mason University and the Naval Postgraduate School. He frequently presents papers at SCEA/ISPA conferences, MORS, DoDCAS, and SSCAG, and won Best Track Paper in 2009 for his paper "A Distribution-Free Measure of the Significance of CER Regression Fit Parameters Established Using General Error Regression Methods" given at the ISPA/SCEA Conference in St. Louis, MO. SCEA would like to congratulate Tim on his many accomplishments and contributions.

### **Bethia Burke** — Cost Estimator of the Year Award for Contributions in the Field of Education

Bethia Burke (née Cullis) is an Operations Researcher at TASC, Inc., who has contributed to innovative research regarding learning curve analysis, inflation, risk, and contract types. She is an internationally-recognized trainer of the Cost Estimating Body of Knowledge, and played a key role in the development, beta testing, and final delivery of CEBoK<sup>TM</sup>. She was Training Track Co-Chair at the 2010 SCEA/ISPA Conference, and was recently appointed SCEA National Training Chair. She is a mentor/teacher of junior and senior analysts, and conducts internal training sessions at Northrop Grumman and TASC. In her work at TASC and with SCEA, Bethia portrays a commitment to learning and sharing knowledge with others that makes her the ideal recipient of this year's Education award. Peter Braxton accepted the award in Bethia's honor.



### **Michael Thompson** — Cost Estimator of the Year Award for Service to the Society

Mike Thompson, a Principal at MCR, LLC, has been a volunteer and leader for SCEA since 2003. His previous positions in the Southern Maryland Chapter include Education Chair, Vice President, and President. He has also held the position of Track Chair at several SCEA National Conferences, has served on the conference planning committee for the 2007 SCEA Conference, served as Program Chair for the SCEA Conference in 2008 and 2009, and as Conference Chair for the 2010 Conference in San Diego, CA. He also currently serves as SCEA National Chaptering and Membership Chair, and in this role he has successfully welcomed numerous new chapters (and reinstated one inactive chapter). His dedication to the core SCEA principles of enhancing the profession and fostering the professional growth of the members shows in his volunteer efforts with SCEA.



### **Richard (Rick) Collins** — Cost Estimator of the Year Award for Contributions in the Field of Management

Rick Collins is President/CEO of Technomics, Inc. With over 30 years of experience, Rick brings a wealth of knowledge and a management philosophy of excellence and service to his work. He fosters the professional growth of estimators within his organization by encouraging active participation in SCEA, (including encouraging attendance/presentations at SCEA Conferences and funding staff to sit for the CCEA exam). Through hiring, mentoring, and managing recent college graduates, Rick has helped Technomics grow to a staff of 50 analysts since 2000. He led a team that helped review CEBoK<sup>TM</sup> module revisions and participated in a multi-organization



team to develop a new CCEA case study. His actions have exemplified the important role management plays in promoting the professional development of estimators and the estimating community as a whole.

### Dr. Stephen Book — 2010 Lifetime Achievement Award

Steve Book has over 30 years of cost estimating and analysis experience holding positions such as Chief Technical Officer at MCR, LLC and Distinguished Engineer and Department Manager at The Aerospace Corporation. He is currently a Principal for MCR, LLC providing senior leadership support to MCR's Technical Planning and Quality Support organization where he is responsible for ensuring technical excellence of cost estimating and analysis products, services and processes. Steve has been a primary contributor to several significant Air Force cost studies, and has served on national panels as an independent reviewer of NASA programs. He is co-editor of The Journal of Cost Analysis and Parametrics, and was the 2005 recipient of ISPA's Freiman Award for Lifetime Achievement. He



has a vast number of professional papers to his name that he has presented at SCEA and ISPA Conferences, DoD-CAS, and MORS Symposiums. He continues to focus on research and training, and as his wealth of professional papers shows, he is not one to ever stop learning and contributing to the advancement of the profession. With a distinguished career such as his, it is no wonder that Steve Book was chosen for the honor of the SCEA Lifetime Achievement Award.

I thank everyone who submitted nominations and take this time to congratulate not only all of our winners, but also all of our nominees. It is an accomplishment in itself to be among the pool of candidates for one of these esteemed awards. Seeing the level of commitment people show to SCEA and the greater cost estimating community is heartening. Your efforts help SCEA thrive, and we genuinely appreciate it. Congratulations!

### Socializing & Networking

















### **Best Paper Awards**

#### By Mel Etheridge, Best Papers Co-Chair

ecognizing excellence in our profession and awarding the efforts of our colleagues to push the state of the art in cost estimating through the Best Paper Awards process is an important part of every conference. The selection of the best papers at this year's conference was particularly challenging due to the record 85 papers that were presented. In addition to the unusual quantity, the quality of this year's papers was also particularly good, making the selection that much more difficult.

As with most areas of the conference, the selection process was executed by a committee composed of SCEA and ISPA representatives. The committee co-chairs were **Mel Etheridge** from SCEA and **Jairus Hihn** from ISPA. Each of the eight tracks had two primary judges, with some tracks also having alternate judges. The judges were as follows:



Track	Primary Judges	Alternate Judge
Estimating	Chris Dalton, Barbara Stone-Towns	(none)
EVM/Scheduling	Mary Harmon, Dave Graham	(none)
Life-Cycle Cost	Peter Meisl, Claude Freaner	Thomas VanHorn
Management	Lew Fichter, Roy Smoker	Betty Graf
Models	Greg Hogan, Doug Howarth	Mike Provines
Methods	Tim Anderson, Leigh Rosenberg	Chris Leonetti
Risk	Paula Spinner, Robert Fairbairn	Stephen Rozzi
Software/IT	David Peeler, Michael Ross	Paul Cymerman

What is particularly noteworthy is that over half of the primary judges were not able to attend the conference, yet they still gave up many hours of their own time to evaluate the papers.

The process that the judges used to make their selections was similar to that used in past conferences. The judges assigned a score from 1 (marginal) to 5 (clearly superior) in four areas: 1) technical content (worth 40%), 2) creativity (worth 20%), 3) potential application to our profession (worth 20%), and 4) overall quality and style (worth 20%). These four area scores are weighted by the given percentages to give a composite score for each paper from both judges in the track. The average of the scores of the two judges was the overall score for that paper. The paper receiving the highest overall score in each track was awarded the Best Paper Award in that track.

The process was repeated among the track winners to determine the Conference Best Paper. Each of the judges scored the track winners. The highest score received on the second round of scoring was the conference winner.

The winner of the 2010 Conference Best Paper Award was Christian Smart, PhD,





(Top to bottom) Best Paper —
Dr. Christian Smart. Software/IT —
Jennifer Leotta. EVM/Scheduling —
Nhung Tran and Dr. Mun Kwon.
Methods — Dr. Shu-Ping Hu.

### **SCEA Paper Awards**

CCEA, for "Here, There Be Dragons: Considering the Right Tail in Risk Management" in the Risk Track. The other Track Best Paper Award winners were:

- Estimating: Bob Hunt, "Estimating Issues Associated with Agile Development"
- EVM/Scheduling: **Nhung Tran**, **Eddie Hall**, and **Dr. Mun Kwon**, "Control Account Manager (CAM) Notebook Evaluation"
- Life Cycle Cost: Sidharta Sahirman, "Estimating Life-cycle Cost of West Virginia Fiber Reinforced Polymer (FRP)
   Bridge Decks"
- Management: Dr. Michael N. Beltramo, Emily Beltramo, Rick Collins, Brian E. Torgersen, "Competition in DoD Systems Acquisition: Past Lessons and Future Considerations"
- Methods: Dr. Shu-Ping Hu, "Simple Mean, Weighted Mean, or Geometric Mean?"
- Models: Mark S. Schankman and John W. Reynolds, "Advancing the Art of Technology Cost Estimating- a Collaboration between NASA and Boeing"
- Software/IT: Jennifer Leotta, "Software Cost Estimating Relationships"

Our profession continues to grow in size and significance. I'd like to thank all of the authors, whose contributions to the profession are no better seen than in the effort put forth in all the papers that were presented. I'd also like to thank the judges once again, who worked hard so that we could recognize these contributions. We welcome other people to volunteer as judges for future conferences. If you are interested, please contact the Joint Office at scea@sceaonline.org.



### **Exhibitors**





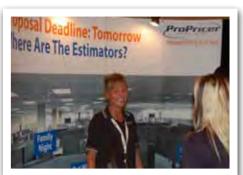


























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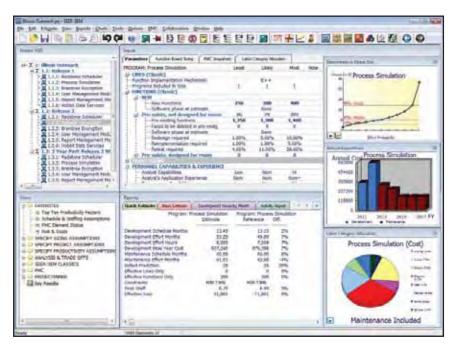






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### **Greater Alabama Chapter News**

#### By Jenny Hunkapiller, Chapter President

he 2010–2011 year is in full swing. The newly elected board has been busy over the summer planning this year's calendar. Our goals are to provide high-quality, informative luncheons, seminars, and certification training; to increase membership and member participation; and to give back to the community. I would like to reflect on some of last year's successes as well as look forward to upcoming events.

### **Spring Seminar**

The Greater Alabama Chapter hosted a one-day seminar for both members and non-members taught by one of our own, **Dr. Christian Smart**, on the subject of cost risk analysis. This course provided a comprehensive introduction on how probability methods are applied to model, measure, and manage risk in the cost of engineering today's advanced systems. Throughout the lecture, detailed discussions on technical issues associated with cost uncertainty analysis were given. Analytical techniques from probability theory were stressed, along with the Monte Carlo simulation method. Hands-on examples and case discussions were provided to illustrate the practical application of theoretical concepts.

### **Spring Social / HOPE Place Drive**

On May 18, 2010, our chapter hosted its first annual membership social and supply drive benefitting HOPE Place, a domestic violence shelter for women and children. The social was held at the Station 2 patio overlooking the lovely Bridge Street Town Center in Huntsville, AL. Members enjoyed a relaxing evening catching up with old friends and meeting new faces. Over six full bags of supplies were collected along with other monetary contributions for HOPE Place. It proved to be a enjoyable event and the Board is looking forward to the second annual social in Spring 2011.

### **Certification Training**

Once again, our chapter provided extensive, high-quality training sessions in preparation of the certification exam led by **Dr. Sam Cooke** and his team: **George Cash**, **Denise Cline**, **Stacy Houk**, **Dr. Christian Smart** and **Barbara Stone-Towns**. Sessions covered topics relevant to cost analysis, such as statistics, learning curves, contracting, economics, managerial accounting and finance. Twenty-two individuals attended the training sessions, and several members sat for the certification exam, earning the distinction of Certified Cost Estimator / Analysts and Professional Cost Estimator / Analysts.



Dr. Christian Smart presenting his award winning conference paper titled "Here, There be Dragons: Considering the Right Tail in Risk Management" at the August Luncheon.

#### 2010-2011 Board of Directors

The chapter elected board members for the 2010–2011 year, effective June 1, 2010. The new board members are

President — Jenny Hunkapiller Vice President — Ralph Mitchell
Treasurer — Elizabeth Graham Administrative — Lee Smith
Education — Christian Smart Membership — Teresa Brown
Publicity — Stephanie Lewis Certification — Sam Cooke
Past President — Kirk Schneider

### Greater Alabama and St. Louis Gateway Chapters' August Luncheon

The Greater Alabama Chapter kicked off the 2010–2011 year with a luncheon collaborated and co-hosted with the St. Louis Gateway Chapter on August 18, 2010. **Dr. Christian**Smart presented his award-winning paper from the 2010 ISPA/SCEA Joint Annual Conference & Training Workshop titled "Here, There be Dragons: Considering the Right Tail in Risk Management." His paper won the Best Conference Paper Award and the Best Paper in the Risk Track Award at this year's conference. The St. Louis and Greater Alabama Chapters were joined by 23 other individuals, including members of chapters in San Diego, Colorado Springs, northern Maryland, north Florida, central Florida, and Houston/Clearlake via webinar. Feedback to the event was extremely positive, and President of SCEA Bill

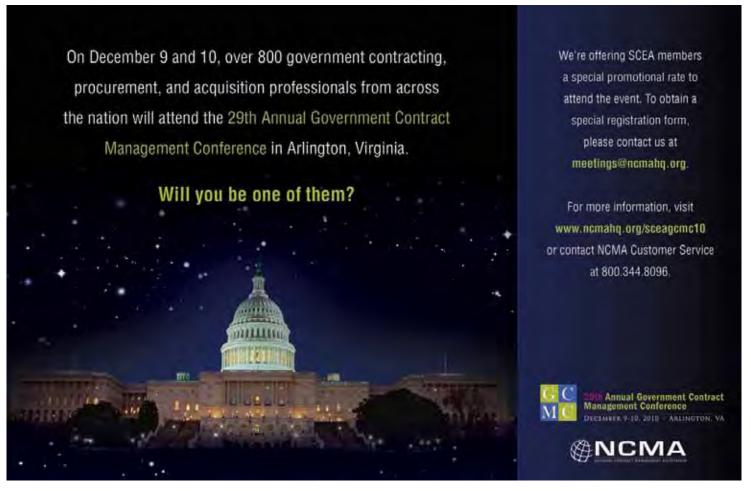
**Haseltine** shared his enthusiasm by saying he "enjoyed it thoroughly!" Special thanks to **Christian Smart**, **Eric Druker**, **Erin Whittaker**, **Teresa Brown**, and **Ralph Mitchell** for coordinating the luncheon and ensuring the technology was in place to support the presentation. Also, our appreciation goes to Booz Allen Hamilton for paying for web meeting expenses. This event proves what a small world we live in and to what a close community we cost analysts belong. Our chapter looks forward to collaborating with other chapters again soon.

### Fall Cost Workshop

The annual fall cost workshop will take place November 16, 2010, at the SAIC facilities in Huntsville, AL. This workshop will be joint between SCEA, ISPA, the Missile Defense Agency, U.S. Army, and NASA. There will be presentations from each of these organizations covering a wide breadth of topics. Additional details will be forthcoming as plans are finalized. **Kirk Schneider** (kschneider@mcri.com) is the SCEA point of contact for the workshop

### **Upcoming Luncheons**

Date	Торіс	Location
September 21, 2010 11:30 AM — Luncheon	Mr. Scott Vickers (Deputy Director for Programs & Integration for the Missile Defense Agency) will be presenting, "Future Trends in Cost Analysis."	SAIC., Huntsville, AL
October 19, 2010 11:30 AM — Luncheon	Mr.Andy Prince (Manager of the Marshall Space Flight Center Cost Office and member of the ISPA Board of Directors) will be discussing the ISPA organization.	SAIC, Huntsville, AL
December 14, 2010 11:30 AM — Luncheon	Holiday Luncheon	SAIC, Huntsville, AL



### **Baltimore Chapter News**

By Sonja Holzinger, Chapter President

### San Diego, California....

Thomas Jefferson was a firm believer that you don't really ever stop learning, and I could not agree more. Although I expected SCEA's Conference in San Diego to be a great educational and professional development opportunity, I was still completely caught off guard with the number of great presentations and great presenters. Two of these presenters were our very own Baltimore Chapter Members **Tucker Moore** (Operations Research Analyst, TASC Inc.) and **Brian Opaska** (Senior Cost Analyst for OPS Consulting). If you missed the conference, hopefully, you will enjoy reading about our two great members.

**Tucker Moore** presented for the Fundamentals Training Track. The class focused on presenting the Economic Analysis module and an example from SCEA's CEBoK<sup>TM</sup>. Tucker spoke about key ideas and practical applications of economic analysis. He made this presentation interesting by calling on an example of the cost benefit studies he encountered. Tucker also presented "Function Points Analysis: Introduction and Basic Overview as an Alternative to SLOC-Based Estimation." As if that was not enough, Tucker volunteered his time at the conference to help with logistic functions necessary to ensure conference presentations ran as smoothly as possible. Tucker is currently responsible for preparing the LCCE and logistics funding summaries for various programs within the Department of Defense at the United States Marine Corp Base Quantico. His experience also includes preparing facilities' cost estimates for commercial and federal projects and supporting internal independent cost estimates for several TASC/ Northrop Grumman contracts. He is also a trained function point counter.

Another great Baltimore Chapter conference presenter was **Brian Opaska**. Brian is a senior cost analyst for OPS Consulting and performs cost and risk analysis on programs within the intelligence community. Brian leads an internal research project focusing on collecting, normalizing, and analyzing program technical data and historical costs that will be used to calibrate parametric software tools and update software estimating factors. Brian's presentation "Improving Software Cost Estimates Using the Univariate Model" was focused on providing the three techniques that can be applied to improve the consistency and accuracy of the univariate (first order) model for software estimating. Because of

his vast experience in software cost estimating, his presentation was also one of the great educational opportunities for all conference attendees.

### **Baltimore Chapter First Anniversary...**

Baltimore Chapter has celebrated its first anniversary this past June. We have been growing at a rate of approximately two to three new members per month, and today, we are a chapter of about 45 members.

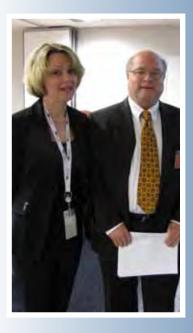
Although Baltimore Chapter boundaries are defined as a 50 miles radius around Baltimore, our membership is located anywhere from Pennsylvania to Southern Maryland. In an effort to identify the meeting location preference, we sent out a location survey. In this survey, we offered members the choice of two locations: one south of Baltimore (Annapolis Junction near Ft. Meade) and one north of Baltimore (Abingdon near APG).

A total of 60% of the Baltimore chapter membership responded to this survey, and coincidently, 60% of those who responded selected Abingdon as their preferred meeting location. Some 36% of the members picked Annapolis Junction and one member (or 4%) has suggested a location other than what was proposed.

Keeping in mind the geographic dispersion of our members, we started offering our events online to those members unable to travel and attend in person. Current available technology allows downloading presentations on the web, and the audio portion of the meeting is followed via the phone line. Experience so far has proven that this is indeed a good way to override geographic dispersion between members and an excellent way to provide professional development to our members that is convenient and free of charge.

### Baltimore Chapter Event with Richard Hartley as Guest Speaker

Our chapter was honored to have **Richard Hartley**, (Deputy Assistant Secretary for Cost and Economics, Office of the Assistant Secretary of the Air Force for Financial Management and Comptroller) as a guest speaker during our 9 September 2010 event. Mr. Hartley spoke about issues and initiatives relative to Air Force cost analysis. The presentation was well received, and the topic sparked many interesting questions and debates. This luncheon event was held at the SAIC office in Abingdon, MD, with many members and nonmembers in attendance. It was offered for both inperson and online attendance.













SCEA's Chaptering Chair **Mike Thompson** was our surprise guest, and he introduced Mr. Hartley to Baltimore Chapter members. Mr. Thompson has been the most instrumental help with reinstating the Baltimore Chapter over the past year, so this surprise was also our opportunity to thank him for all he did and does for the Baltimore Chapter.

Following the example of the St. Louis Gateway Chapter, the Baltimore Chapter extended the online invitation to this event to all chapters in SCEA's Region 2 area and to the St. Louis Gateway Chapter. The interest in this event was overwhelming and we had members and nonmembers attending online in Los

Angeles, CA, Kansas City, MO, Shalimar, FL as well as many other locations.

Our very special thank you goes to our guest speaker, Mr. Hartley for giving Baltimore Chapter members the unique opportunity to get an insight into many issues relative to the Air Force financial management and cost analysis.

### Newest Member on the Baltimore Chapter Board!

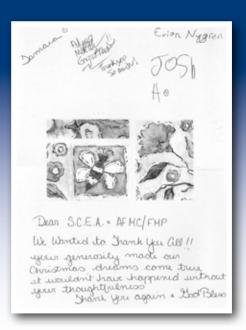
Please join me in congratulating **Tucker Moore** who has accepted the appointment to Baltimore Chapter Program/Training Chair!

### **Dayton Chapter News**

### President's Message

#### By Tom O'Hara, Chapter Past President

Fortunately, we've been extremely busy since Thanksgiving 2009, and the workload has increased tremendously. We have had two outstanding luncheons since the beginning of the year; the first being **Rich Hartley**'s presentation in February regarding the current status of Air Force cost estimating, and then, we welcomed three super presentations from the graduating AFIT students organized by **Donna Gravely**. We had a successful fundraiser led by **Eric Nardi** with Bowl for Kids' Sake. These events were successful due to the great and hard work by all. Much appreciation and thank you to those who supported these efforts. Unfortunately for us, we have one departure to report, as **Scott Boyd** (Secretary) has PCSd to Warner Robins. Best wishes to him. Ms. Gravely has graciously offered to step into his position for the remainder of this term to help out. On the 1st of July, the reins of the Dayton Chapter switched to **Bryan Daly**, who will serve this position well. **Charlie Kapaku** will be making a call for nominations and voting will ensue for the next term. More details to follow through e-mail traffic. ASC/FMC and AFCAA are preparing for the Aviation Cost IPT where the government staff organization cost analysts will meet with their counterparts in industry to discuss historical data, policies, and acquisition process improvement related to cost estimating. Hope your programs are progressing through these arduous times.



A heart-felt thank you from the family sponsored by the Dayton Chapter.

### Adopt-a-Family

By Eric Nardi, Charity Events Coordinator

Many thanks to all who participated in SCEA's Adopt-a-Family program this past December. In total, we raised over \$750! This enabled us to help a special family enjoy a plentiful Christmas. Among a variety of gifts, we provided clothes, toys, household goods, and other items that will, at least in some way, provide comfort to this family. Thank you again for your kind and generous support.

### SCEA and ASMC Welcomes Mr. Richard Hartley

By Amy Knecht, The Dayton Coster Newsletter Editor

The ASMC Aviation Chapter and the SCEA Greater Dayton Chapter enjoyed a successful turnout at their joint February 2010 luncheon. Over 100 financial management professionals gathered together to listen to **Richard Hartley**, Deputy Assistant Secretary for Cost and Economics, Office of the Assistant Secretary of the Air Force for Financial Management and Comptroller, Washington, D.C. Mr. Hartley gave an insightful presentation about current issues in Air Force Acquisition Financial Management. Topics presented included the results of an analysis of Air Force program cost growth trends and ongoing challenges in cost estimating, including balancing optimism and realism, challenging assumptions, and leveraging historical in-

formation. Mr. Hartley encouraged everyone to read "Delusions of Success — How Optimism Undermines Executives' Decisions", *Harvard Business Review*, by Dan Lovallo and Daniel Kahneman. Mr. Hartley also provided insight into near-term and long-term changes resulting from the Air Force implementation of the Weapon System Acquisition Reform Act (WSARA), as well as numerous other Air Force strategic and tactical initiatives. Strategic initiatives discussed included the Air Force Acquisition Improvement Plan (AIP), restructuring of the APDP certifications, workforce development, and strengthening relationships with engineering, PMA&E, and contracting. Some of the tactical initiatives discussed were implications of the implementation of WSARA and AFPD 65-5, which bring about new rules of engagement for non-advocate cost estimates (NACA) for POM submissions, improving quality control aspects of cost estimates, and a renewed emphasis on documentation. These strategic and tactical initiatives will lead to additional AFIs, handbooks, and training materials. To view Mr. Hartley's presentation, visit the SCEA Greater Dayton Chapter page of the SCEA website at: http://www.sceaonline.org/chapters/ohio/index.cfm.

### Houston/Clear Lake Chapter News

#### By Ella Hrabar, Chapter Past President

I, Ella Hrabar, exit as President and start a new role as a member, supporting and contributing as needed. I am pleased to announce the Houston/Clear Lake Chapter transitioned to new officers effective September 1, 2010. They bring a vibrant energy and exciting plans to grow our chapter.

- President: **Revnaldo (Rev) Carpio** (Tecolote)
- Vice President: Richard (Rick) Battle (Booz Allen Hamilton)
- Secretary: Luther (Ed) Price (NASA JSC)
- Treasurer: Carl Conder (Boeing)

My deep appreciation goes to those who served the chapter and me so well. I'd also like to thank outgoing Vice President **Krista Stroh** (Barrios), Treasurer **Ann Sylvester** (NASA JSC), and Secretary **Jean Hamblin** (Booz Allen Hamilton). You have all provided outstanding service. Special thanks to Ann for her proctoring the numerous exams held these past four years, to Krista and Ann and for finding speakers for our meetings, Krista for forward thinking and innovating ideas, and to Jean for keeping our membership records current and distributions timely.

In March, we had Happy Hour after work so we could get to know more about each other. Our May meeting was well attended with guest speaker **David Braun** from Bay Area Houston Economic Partnership, enlightening us as to how they work to keep the space program in front of Washington, rally grassroot

support from all over the country for space, and what web tools were available that allowed letters to be sent to your representatives in Congress and the House as well as to the President. August speaker was **Charles Hunt** from NASA HQ, Cost Analysis Division within the Office of Program Analysis and Evaluation. He held us spellbound with his presentation skills and mannerism while giving us a talk titled "NASA Joint Confidence Level (JCL) — The Evolution of NASA's Cost Estimating Policy." Charles drew our best attendance so far, and I can see why. His ability to convey a topic with humor as well as inside knowledge of the process kept us captivated.

We hosted a certification exam on June 26. Congratulations to **Carl Conder** (Boeing), **Zachary Hunt** and **Robert Ashford** (NASA JSC) on becoming certified. Special thank you to **Ann Sylvester** for proctoring (once again).

I leave now with just a few comments. It has been an interesting experience/adventure — we had a vision of starting a chapter and made that vision a reality, I met many people I would not otherwise have met and learned and grew. I know the work will carry on with our new officers at the helm. Incoming President Rey Carpio brings a wealth of experience and expertise that will serve him well as President. I wish him and the rest of his team the best in their endeavors.

### Remarks by Incoming President Rey Carpio

Incoming officers of any organization — such as SCEA — are grateful to the outgoing officers. As it has been said quite often, "...We see more, and things that are more distant, than they did, not because our sight is superior or because we are taller than they, but because they raise us up, and by their great stature add to ours." Yes, incoming officers stand on the shoulders of the outgoing officers. For the Houston/Clear Lake Chapter, it has been Ella and her worthy board's hard work that has brought the chapter into being. I sincerely congratulate Ella and her board for their efforts.

Our chapter faces many opportunities, and these opportunities take different shapes and forms — some may call those "problems" or "issues" — we prefer to look at it all as "opportunities." Fortunately for all of us, the tides always change — thank the moon's gravity!

As a way to provide some information about Houston/Clear Lake Chapter, let's run by some figures about the city of Houston. Houston is the fourth most populous city in the nation (trailing only New York, Los Angeles and Chicago) and is the largest in the southern U.S. and Texas — with a population of 1.9 million. Houstonians eat out more than residents of any other city — Houston has more than 11,000 restaurants! Houston is home to the Houston Livestock Show and Rodeo — the largest rodeo in the world.

From a SCEA perspective and thinking about a "potential" pool of members, consider these facts about Houston. Houston has a young population; 37% of Houstonians are 24 years old or younger, and 34% are between the ages of 25 and 44. Houston has more than 40 colleges, university, and institutions. Houston is home to the Texas Medical Center, the largest medical center in the world — with more than 52,000 medical personnel. It is home to 18 Fortune 500 companies and more than 5,000 energy-related firms, Houston is considered as the Energy Capital of the World. The Port of Houston ranks as the nation's largest port in international tonnage and second in total tonnage. In the space arena, Houston has Johnson Space Center (JSC) — with JSC civil service workforce of 3,000 employees and 12,000 contractors. JSC is the principal training site for both space shuttle crews and International Space Station Expedition crews and the Mission Control Center is the nerve center for America's human space program.

All this translates to great opportunities for the SCEA Houston/Clear Lake Chapter. Building on what Ella and her board has done, we plan to reach out into the oil and gas industry, the medical centers, the port authority, and Johnson Space Center community.

### Northwest/Washington Chapter News

#### By Jeffrey Jaenicke, Chapter Vice President

Six months ago in the March 2010 edition of *The National Estimator* magazine, we talked about our plans to apply for a concession stand assignment at Safeco Field (Home of the Seattle Mariners) as a way to enhance our treasury. We did apply and were fortunate enough to be granted one stand. The way it works is Safeco Field pays our chapter a certain amount for each person who works that game. We have been assigned 10 games. On our first day, Sunday, July 11th, nine members of our Northwest SCEA Chapter plus three family members operated the food booth at Safeco Field. It was a long day with many of us arriving at Safeco at 9:00 AM and leaving around 5:00 PM. For several hours we sold pizza, hot dogs, nachos, and a variety of drinks to baseball fans. Our volunteers raised over \$500 for the chapter at this event alone. By the time this issue of *The National Estima*-



From left to right: Mike Doherty, Andrew Amodei, Kathy Amodei, Stacy Dean, Shane Amodei, Toni Rehmer, Dustin Harmon, Jim Smith, Frank Rose, III, Spencer Comert, Pat Zedaker, not shown Jeff Jaenicke

tor is published, we will probably have completed our 10 games. We're looking forward to reporting the total figures in the spring issue of *The National Estimator* next year. This activity will add significantly to our chapter treasury, which will in turn be used to further our plans to enhance and expand our chapter activities such as membership drives, training, and communication.

Speaking of membership drives, one of our primary areas of focus this past year, besides fundraising, is to increase our chapter membership. We reported in the last issue that, since September 2009, our membership increased from 81 to 92. The goal we set for ourselves two years ago was to achieve the 100 member mark by the end of 2010. We're getting close. We are also happy to report that interest from non-Boeing entities has

increased as well. On Tuesday, August 17th, our Northwest Chapter officers met with representatives from the FAA and the PRECOR Corporation. This face-to-face meeting gave us the opportunity to discuss SCEA, review current activities, and answer questions about SCEA training and certification. There was a great deal of interest from both parties regarding the SCEA certification. We will continue to work with them in an effort to help them achieve their certification plans. The timing could not have been better. We are getting ready for our next training session, which will take place twice each week from 14 September – 4 November 2010, on Tuesday and Thursday, 3:30 – 6:00 PM. The exam will be offered November 5, 2010 (tentative). Our Director of Certification and Training **Pat Zedaker** will oversee both the training and testing activities.

This fall, our chapter will also be conducting elections, and our Past President **William Metz** is our nominating committee chairperson. The election will take place in December 2010, and the results will be announced early January 2011. If you are interested in running for one of our offices contact William at william.j.metz@boeing.com

As always if you have any questions regarding our Northwest SCEA Chapter you can contact:

- Michael Doherty at michael.k.doherty@boeing.com
- **Jeff Jaenicke** at jeffrey.l.jaenicke@boeing.com

For training related questions please contact:

• Pat Zedaker at patricia.m.zedaker@boeing.com

For fundraising questions contact

• Julie Wallace at julie.a.wallace2@boeing.com

### Pikes Peak Chapter News

### Leadership Update

#### By Christina O. Brims, Chapter President

Our chapter remains a vibrant community of cost analysts from across the employment spectrum — private industry to local and federal government agencies — in the Pikes Peak region and beyond. As with any dynamic organization, we experienced a shift in leadership with the loss of two key members. We said farewell to **Robyn Kane**, one of our founding members, as she accepted a position in Huntsville, AL, with

Missile Defense Agency. We sent our wishes for continued success with **John Teal**, our dedicated Program Chair, as he moved to Ohio. We also eagerly await **Gerry Corwin**'s return as chapter Awards Chair after his extended absence and rehabilitation.

At this writing, the chapter is conducting elections and will introduce its new slate of officers in September. The chapter's financial audit will be conducted by the past president of the Pikes Peak Chapter of the Institute of Management Accountants. We are formulating our monthly program guest

speaker list and will invite the SCEA Rocky Mountain Chapter, the SAF/FMC Center of Expertise, and the Pikes Peak Chapter of the American Society of Military Comptrollers (ASMC) to join us when topics align with their members' interests. To keep our chapter website updated and to involve more stakeholders in our chapter's activities, we are seeking a member to serve as web master. Finally, we remain committed to increasing the number of members with the Certified Cost Estimator/Analyst (CCEA) designation and to adding student members to our ranks during the upcoming year.

### **Program Update**

We started our program year in September 2009 with a presentation from Chapter Secretary **Judy Davis**, which dealt with her preparation and study tips for successful certification testing.

In October and November, we joined the local chapter of the American Society of Military Comptrollers (ASMC) in listening to two Air Force senior leaders, **Theodore Williams** (AF Auditor General) and **Jamie Morin** (SAF/FM).

We held our annual holiday party in December at the Colorado Springs Fine Arts Center, coincidentally in conjunction with the opening night of the "NASA Space Art: 50 Years of Exploration" exhibit.

In January 2010, **Frank Ybarra**, Senior Analyst, gave an "Overview of Cost and Price Analysis" from the perspective of an employee of the Colorado Springs Utilities. Frank supports the procurement and contract services division in the four-service — electric, gas, water, and wastewater — municipal utility.

Part of Mr. Ybarra's presentation was generic in nature and applied to the discipline in general. The topics in this section included a differentiation of price vs. cost analysis, the appropriate application of each, the understanding of cost components, and the use of models, tools, and techniques. However, another part of his presentation handled when and how Colorado Springs Utilities uses the concepts in a wide variety of complex research projects involving cost reduction strategies and sourcing competitions. Chapter members from both the federal government and private industry found Mr. Ybarra's application of cost analysis and price analysis in his work fascinating.

Chris Thomson, a cost engineer with Project Time & Cost, Inc (PT&C) in Novato, California, spoke to SCEA Pikes Peak members in March. PT&C is an international team of cost engineers, program managers, and forensic consultants who provide expertise in managing the scope, schedule, and cost of projects. Mr. Thomson's topic was "The Rational Basis for Application of Productivity Factors in a Department of Energy Engineering, Procurement, & Construction Contractor (EPCC) Construction Cost Estimate."



(Top to bottom) Judy Davis reviewed tips for successful certification testing. Colorado Springs Fine Arts Center: Examples of NASA Space Art. (Left) Chris Thomson (Project Time & Cost, Inc.) accepting the coveted SCEA Pikes Peak Chapter mug from Chapter President Christina Brims. Tom Coonce, NASA's Director of Cost Analysis, lobbied for better decision support to program managers.













Mr. Thomson described the process and results of a validation analysis that the Department of Energy requested. PT&C conducted an External Independent Review of a baseline cost estimate for a nuclear facility. The review concentrated on productivity factors in cost estimates. At a high level, these factors mainly address the labor elements of cost items, which reflect the estimator's judgment and typically account for special considerations unique to a particular project.

Mr. Thomson's presentation outlined several key items. First, he reviewed the analysis' literature search, which involved two separate historical studies and their respective findings with regard to productivity factors. Second, he discussed the validation of the initial EPCC estimate and outlined a comparison of alternatives to the EPCC estimate. Finally Mr. Thomson reviewed the analysis' conclusions and recommendations. To finish out the presentation, Mr. Thompson then led a lively interactive Q&A session with the SCEA audience.

Mr. **Tom Coonce**, Director of NASA's Cost Analysis Division, presented a briefing to the SCEA Pikes Peak Chapter on a new topic to NASA and the estimating community — "Joint Confidence Level (JCL)." His primary focus for the JCL presentation was its policy and implementation status at NASA. Mr. Coonce gave an overview of the NASA process and milestones, as compared to standard DoD major milestones, and a

top-level view of the different NASA mission types and associated budgets. Discussion included topics such as cost growth, launch date slips, portfolio reaction, schedule growth, and changes in performance statistics from the 1970s, to the 1980s, to the 1990s. He also presented the difference between estimating methodologies based on the needs for the different Key Decision Points throughout the NASA lifecycle—from formulation to implementation. Mr. Coonce provided an example of the JCL format and discussed probabilistic cost estimating and what JCL means to NASA, lessons learned from the recent implementation of JCL practices, and the way forward for JCL.

Mr. Coonce's presentation was well-received by the Pikes Peak chapter and the chapter greatly appreciates his providing his time to attend and present at our monthly luncheon.

As we begin our new program year, we look forward to hearing Dr. **Neal D. Hulkower**, Vice President, Technical Planning and Quality Support with MCR LLC, in October. He will present his ideas on the adaptation of the Borda Count as the most defensible method of making decisions among all positional voting methods and those involving pairwise and partwise comparisons. Our goal remains to stimulate our curiosity and further our professional growth.

### **Rocky Mountain Chapter News**

This year the Rocky Mountain Chapter focused on encouraging members to obtain the PCEA and CCEA professional certifications. We would like to congratulate the following members for having passed the certification exam during the April and May examinations:

#### **Certified Cost Estimator/Analyst**

Bruce Broussely
Patty Lehma
Kellie McNamara
Ann Moffat
Ken Nelson

#### Professional Cost Estimator/Analyst

Steve Graybeal Geoff Riegle

Obtaining SCEA certification is a difficult task that requires dedication and many hours of preparation, so everyone who passes the exam should be congratulated. To aid in preparation, the chapter organized weekly study groups through conference calls so that location wasn't an issue. The study groups allowed the participants to discuss the CEBoK material and ask questions that others in the group could answer.

Sincere gratitude goes to **Brooke Musselman** and **Dennis Dal Pra** who provided support to the study groups and who proctored the two exams. Brooke and Dennis each passed the CCEA certification last year during the Beta Test of the new exam. Their knowledge of the material was invaluable during the group's preparation and their constant encouragement kept us going during the weeks leading up to the exam.

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#### Basic Requirements:

- Experience in cost estimating for Defense, Intelligence, or other US federal government systems or programs
- Educational background in engineering, economics, statistics, mathematics, operations research, or a related field of study preferred
- · Government/industry certification is a plus

Opportunities are available in Huntsville, AL; Los Angeles and San Diego, CA; Colorado Springs, CO; Washington, DC; Eglin AFB, FL; Aberdeen, Ft. Meade, and Lexington Park, MD; Troy, MI; Eatontown, NJ; Dayton, OH; Charleston, SC; San Antonio, TX; and Norfolk, VA.

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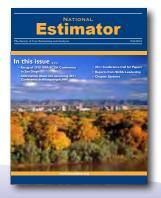
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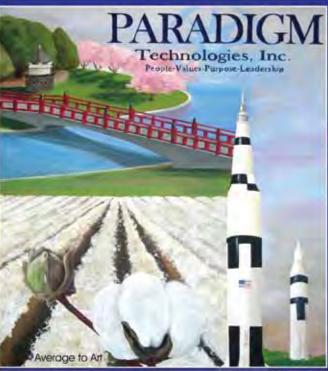
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