

5 Meet the new Board of Directors

26 Book Review: *Soldiers of Reason: The RAND Corporation and the Rise of the American Empire*

ICEAAWorld

The magazine for the International Cost Estimating & Analysis Association



The Professional Development & Training Workshop Retrospective



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Journal of Cost Analysis and Parametrics

Editor-in-Chief: Prof. Ricardo Valerdi, *University of Arizona* • Managing Editor: Dr. Christian Smart, *Missile Defense Agency*

The *Journal of Cost Analysis and Parametrics* is the official publication of the International Cost Estimating and Analysis Association. It is a scholarly journal featuring peer-reviewed articles that provide the latest developments in cost estimating, cost analysis, and cost management. Its objective is to improve the theory and practice of cost estimating, analysis, management, and research results among cost-analysis educators and practitioners around the world.

The journal seeks to publish research that is interesting, intellectually rigorous, and advances the body of knowledge of cost analysis and parametrics. Papers involving a variety of topics, settings, and research methods are solicited. Manuscripts related to a broad range of application areas for any sector of the economy including manufacturing, financial services, construction, retail, defense, and not-for-profit are desired. New theories, topical areas, and research methods are encouraged. Areas of interest include, but are not limited to:

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- Trade studies
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Authors are advised to consult previous issues of *JCAP*—and its predecessor journals—for suitable topics to submit for consideration. For questions from potential authors please contact:

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The Magazine for the International Cost Estimating & Analysis Association

TABLE OF CONTENTS

2 Letter from the Editor

Joe Wagner, *ICEAA World* Editor

3 Business Office Update

Megan Jones, Executive Director

4 President's Address

Paul Marston, ICEAA President

6 Certification Corner

Peter Andrejev, ICEAA Director of Certification

7 Secretary's Perspective

Greg Kiviat, ICEAA Secretary

10 2015 ICEAA Workshop Overview

22 Costing News from the UK

Dale Shermon, SCAF Chairman

24 Book Review

Col David Peeler

25 Chapter & Region Updates

The International Cost Estimating and Analysis Association is a 501(c)(6) international non-profit organization dedicated to advancing, encouraging, promoting and enhancing the profession of cost estimating and analysis, through the use of parametrics and other data-driven techniques.

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Publication of materials is at the discretion of the editor and officers of the association. Opinions expressed by contributors are not necessarily those of the International Cost Estimating and Analysis Association. The association endorses no product or service, does not engage in any form of lobbying, and does not offer for sale any commercial product or service for a profit. All revenue received from the activities of the association are used solely for the professional benefit of its members.



Letter from the Editor

Joe Wagner, ICEAA World Editor

Once again ICEAA spent a very successful and beneficial week in San Diego, at the 2015 ICEAA Professional Development & Training Workshop. For those who were there and those who missed it, see our extensive coverage, with pictures, in this issue. The complete set of photos is available by clicking the 2015 Workshop icon at www.iceaaonline.org.

In the comings and goings department, I would like to say farewell and best of luck to Lt. Col. **Dan Ritschel**, the departing director of the Air Force Cost Analysis graduate program at Wright-Patterson AFB, Ohio, and a welcome to Lt Col. **Brandon M. Lucas**, his successor. Also, I offer a similar simultaneous farewell and welcome to the old and new officers and directors of ICEAA who have undertaken their new roles effective July 1. You may identify them by a quick look at the masthead of this magazine. We particularly welcome our new executive committee officers, International President **Paul Marston**, Vice President **Michael Thompson**, Treasurer **Bob Hunt**, and Secretary **Greg Kiviat**. All of these professionals have volunteered their time and energy for ICEAA, and we are all the beneficiaries of their contributions. You will find President Marston's thoughts on his new role and ICEAA's future in this issue's President's Address.

For the past few years, ICEAA has been working with interested cost professionals to grow our presence in the cost community of Canada. This

effort culminated with a one day ICEAA professional development workshop held in Ottawa in April, 2015 with over 125 registrants from all parts of the Canadian government and private industry participating. There has been a significant growth in ICEAA activity among the cost community of the Canadian government agencies, with formation of a Canadian ICEAA Region, CEBOK® classes underway, and Certification applications coming in to the international office.

Any discussion of our international activity cannot fail to acknowledge the continuing strong participation and enthusiasm of the UK-based Society for Cost Analysis & Forecasting (SCAF). This independent organization has taken on an affiliation with ICEAA that has been mutually beneficial, and the cooperation of SCAF and its Chairman **Dale Shermon** with ICEAA activities has been very useful to all parties. You will almost always find a report from Dale in our regional and chapter reports at the end of each issue of *ICEAA World*.

In our last issue, I brought out the innovative activities of **David Holm** and the Detroit chapter in planning professional development forums that bring together government and private industry cost communities, not all of whom are natural members of our Association. Once again, I have to send plaudits to David and his Region 4 Director, **Jennifer Flanagan**. Read the Detroit chapter report to see how, once again, they have created a top notch professional development program for the membership. It is a great

example to all our chapters and regions for how to make ICEAA a relevant player in the cost community.



Upcoming Events:

SoCal Workshop

September 9, 2015
The Aerospace Corp.
El Segundo, CA
Contact: Kurt Brunner
Kurt.r.brunner@leidos.com

Society for Cost Analysis and Forecasting (SCAF) Annual Conference

September 15, 2015
The QEII Conference Centre
London, UK
Contact Neil Morrill
ndmorrill@dstl.gov.uk
Information at www.scaf.org.uk

ICEAA Members Meeting

September 30, 2015
noon Eastern
Register at:
www.iceaaonline.com/membership

SCAF Workshop

November 17, 2015
BAWA Centre, Filton
Bristol, UK
Contact Neil Morrill
ndmorrill@dstl.gov.uk

IPM Workshop 2015

November 16-18, 2015
Bethesda North Marriott
Hotel & Conference Center
Bethesda, Maryland
www.ipmconference.org

Business Office Update

Megan Jones, ICEAA Executive Director



I'll admit it, I love Workshop season. In a way, it's like Work Christmas for me: in the first months of preparation I start off bubbling with excitement, dog-eared magazines for decorative inspiration and artfully arranging columns like the Martha Stewart of Excel. As the date gets closer, spreadsheets lose some of their formatting in the rush to get it all done. Then, just when **Sharon Burger**, **Joe Wagner** or I couldn't ask the Workshop Committee for another favor, the day comes. All the people I hadn't seen in a year arrive, excited to share in the event. New contacts become new faces, the ballroom fills with chatter, the ICEAA logo lights up the screens...it's on and it's awesome. And I can't wait to do it all again.

I hope this year's special workshop section will bring back fun memories for attendees and give those who couldn't make it a taste of what they missed. Like the candy that finds its way to grocery shelves earlier and earlier each year, **Mike Thompson** and the entire Workshop Committee are

already setting deadlines and seeking out keynote speakers in preparation for 2016. For those who want to participate in Atlanta, the abstracts submission form is online and ready for anyone who wants to get a head start before the December deadline.

Congratulations and welcome to the ICEAA Canada Chapter! I had the honor and pleasure of going to Ottawa in April to meet the new chapter board and help out with their first annual ICEAA Canada Training Workshop. Attendance blew away all expectations, the energy and excitement of the new chapter board was contagious and some of the new members that have joined as a result of the workshop in Ottawa ended up attending our workshop in San Diego.

The next issue of the *Journal for Cost Analysis and Parametrics* is due out in early September, and in preparation, we have made accessing the journal even easier. Members can now simply log on to the ICEAA Members Only Portal and click the JCAP icon on

the left side of their screen to be taken straight to the journal on the publisher's website.



Online access to the journal is one of the many benefits our members enjoy, but for those who prefer reading on paper or are just die-hard collectors, subscriptions for hard copies of the journal are available for purchase on the ICEAA portal. While you're logged in, be sure to check that your contact information is up to date, especially if your email address has changed.

The Tech Showcase Webinar Series featured two new installments since the last ICEAA World, *Data Driven Estimating with PRICE® TrueFindings®* and *Integrated Cost-Schedule Risk Analysis with Booz Allen's Polaris™*. If you missed these or can't wait to find out what new webinars will be coming this fall, you watch both at

www.iceaaonline.com/techshowcase

Keep an eye on your inbox for announcements and dates for new webinars!



Inauguration of the ICEAA Canada Chapter. From left to right: Brian Glauser, Michael Thompson, Erin Barkel, Peter Weltman, Alan Mayer, Vrenti Ghergari



President's Address

Paul Marston, ICEAA President

It is an honor to write my first President's Address as the new ICEAA International President. The newly elected board's term officially began on July 1, 2015 and we will remain at the helm until July 1, 2017. Thanks to the nominating committee, chaired by **Andy Prince**, for all of their efforts in screening the candidates in compliance with the ICEAA bylaws, and to all the members who took the time to cast your votes. The board is dedicated to serving the membership, making sure your needs are met, challenges recognized, and ultimately, making ICEAA the most valuable association it can be for you.

My gratitude and admiration go out to **Brian Glauser** and all of the members of ICEAA's first International Board for taking on the task of starting this association anew after the merger of our parent groups. Over the past two years, ICEAA has undergone significant development and I believe we are ready to fully take on a new identity.

Shaping and solidifying that identity is central to all of my primary goals as president. I have appointed chairpersons for several committees that will be forming in the coming months to identify areas for growth, ensure the resources necessary to make that growth happen, and capitalize on the effects that come from it. We will form a task force to review our governing documents for

consistency and comprehensiveness as well as developing supplemental policies and procedures to clearly define what ICEAA is doing, how it should be done, and by whom. We will establish a chapter support committee to enrich our chapters, a membership committee to expand the number of members from our existing sources and explore new neighborhoods within the cost community in which we can build a presence. A professional development committee will scrutinize our training program and update CEBOK®, while a certification committee will work to increase the breadth and depth of the CCEA® and PCEA® programs as new specialty certifications take form.

ICEAA has been its own association for more than 2 years now, but many of us still think of ourselves as members of one of our parent organizations first, and as ICEAA members second. It reminds me of a story I once heard about a man named Brady. He and his three sons had been living alone, until one day he met a lovely lady and her three

daughters who were in a very similar situation. The man and the woman had so much in common that they fell in love, got married, and joined their two families. What made it work is that when this group formed a family, they *all* became the Brady Bunch.

It's time for all of us to step out of our parents' shadows, drop our old surnames, and become the ICEAA Bunch. We are no longer two societies with similar enough goals to share a few spreadsheets; we are a vibrant association that serves the entire cost estimating and analysis community. When we shift our focus from who we were to who we want to be, ICEAA will become bigger and better than any of us could have imagined.

I hope all of you are as excited about this journey as I am, and I encourage anyone who is interested in taking an active role in any of the newly forming committees to email iceaa@iceaaonline.org for more information.

Much of this issue of *ICEAA World* is dedicated to the 2015 Professional Development and Training Workshop, and I would like to add my acknowledgements to the many you will read here. Congratulations to all of our best paper and association award winners and thanks to the training instructors and paper presenters. Thanks to the entire workshop planning team, chaired by **Mike Thompson**, for contributing so much to the



continued

program's success, and thanks to the International Business Office staff of **Sharon Burger, Megan Jones, and Joe Wagner** for putting all the pieces together.

Unlike previous years, the ICEAA Annual Members Meeting was not held in conjunction with the 2015 Workshop. The intention of holding the meeting at the Workshop previously was to allow it to take

place in person, but with the schedule already jam-packed with training and papers, it was slipping into a time when most members had already left for the airport.

This year, we're trying a new format that we hope will be both convenient and accessible for many more members. On **September 30, 2015** at noon eastern, we will hold our first virtual members meeting. While the

anticipated turnout will make a fully interactive meeting impractical, we are collecting your questions and suggestions for the agenda on the ICEAA website at:

www.iceaaonline.com/membership

Once we have collected a number of questions and topics, we will distribute a more formalized agenda.



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Certification Corner

*Peter Andrejev, CCEA®, PMP®
ICEAA Director of Certification*

Three potential new certification “products” were presented to the Board of Directors for consideration at this summer’s ICEAA Professional Development and Training Workshop in San Diego:

- Development of new country-specific Certification Programs
- Creation of an “ICEAA Approved” designation to “certify” company-specific training programs
- Creation of a new certification in Software Cost Estimating

All were received with great interest and implicit endorsement, but events during the conference accelerated activity on two of the initiatives:

Country-Specific Certification Programs

We have long recognized that processes on some topics in our training programs and certification examinations have a uniquely US bias. The training and testing on procedures in topics like inflation and index numbers, economic analysis, contract pricing, earned value management, and cost management (including total ownership cost and cost as an independent variable) are US-centric, and penalize professionals from other countries who have limited need to master US-based interpretations of these

competencies. Interest from Japanese representatives to the BoD four years ago led to translation of the PCEA® examination into a Japanese variant used to certify their cost professionals. We were approached by a similar delegation from Canada at this year’s conference and have agreed to work with them to create Canadian certification examinations that will test on all topics in the cost estimating body of knowledge, but will ensure the testing of applicants on how inflation, contract pricing, economic analyses and related items are properly calculated and conducted in Canada. We also expect to work with UK representatives similarly in the future.

Certification Program for Software Cost Estimation

ICEAA has defined specialty certifications to recognize “graduate-level” mastery of certain topical areas within the cost estimating and analysis body of knowledge, e.g., parametric analysis. The applicant must first pass the CCEA® examination before achieving the specialty designation. We use the medical analogy of our PCEA® equating to an intern, our CCEA® equating to a physician and the CCEA®-Specialty to indicate the neurosurgeons and radiologists, who are already M.D.s, but have undertaken additional training and

residency to warrant recognition as a specialist above and beyond a general physician. But what about the physiotherapists, neuroscientists, and radiologic technologists—those individuals who have not, nor will not complete the educational, training, experiential, and testing requirements to become a physician, but are nonetheless expert in a field within the overarching discipline? This was the case presented by parties interested in becoming certified in software cost estimating.

At the workshop we met with representatives from Nesma (an independent international organization focused on software metrics and software measurement) and IFPUG (the International Function Point Users Group) to discuss the need for a new, separate certification (distinguished from ICEAA’s specialty certification) in software cost estimating. This certification would be targeted for those individuals who attain a level of expertise in a subset of our body of knowledge, but have no desire or need to master the full body of knowledge needed to achieve the CCEA®. ICEAA had already signed a Memorandum of Agreement with Nesma to investigate this objective. At the conference we agreed to engage IFPUG and to form a joint committee to govern further activities toward this goal.



Secretary's Perspective

Greg Kiviat, ICEAA Secretary



As we move into the second half of the summer of 2015, news accounts reflecting the importance of cost management, program budgets and cost estimating for government and commercial programs continue to lead the headlines (see recent ICEAA *Cost Estimating Newsbriefs*). It's clear that managing program costs requires an increasingly complex set of skills that is well supported by ICEAA's core mission of "Estimating and Analysis." Cost Analysts and Estimators for government and industry are leading (or supporting) efforts to reduce development, production, and support costs for new or already fielded systems.

ICEAA training, presentations, and new published original ideas

provide the cost community a sound basis to manage competing program technical requirements and cost goals. While the new board has several familiar names and faces there are also many new talented people who have joined with new perspectives. What they all recognize is the need to help members and their employers meet these ongoing challenges in an efficient and logical way.

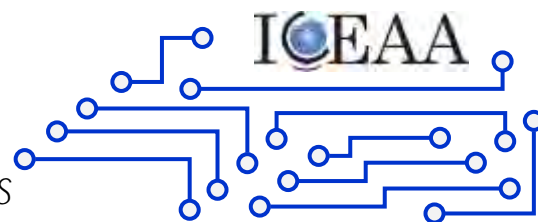
Recent board discussions acknowledged that while the current training curriculum provides a very broad and solid knowledge foundation; there are subgroups in the cost community that may be better served by more focused training that supports their everyday jobs. For example, members from industry may not require a complete set of

coursework in government acquisition processes. Cost communities not part of aerospace may require a different perspective on how to apply the common cost analysis tools and processes. The board is determining how to better align our offerings with the broader cost community needs.

Some may look at cost estimating and analysis as a rather one dimensional activity. However, the skills developed through ICEAA resources and on-the-job experience provide senior leaders with critical information to best balance a project's technical and cost objectives. The board will be looking for ways to leverage existing materials and develop new curriculums to best support members and the cost community.

Technology Showcase

Webinar Series



Archives of ICEAA's Technology Showcase Webinars are online!

Watch previous webinars now at
www.iceaaonline.org/techshowcase

ICEAA's Technology Showcase Webinar Series is designed to bring the latest in cost estimating and cost analysis technology straight to our members' offices. These webinars connect the companies innovating the products, methods, and theories at the forefront of the profession with the members who want to know more about them.

Contact Megan Jones to schedule your webinar: megan@iceaaonline.org



ertification ongratulations

ICEAA would like to acknowledge both those who volunteer their time to proctor the Certification Examination and those who achieve certification. Without CCEA® certified proctors to manage exam administration, ICEAA would be unable to offer the exam in so many locations throughout the year. If you are CCEA® certified and would like to proctor an exam in your area in exchange for points toward recertification, please contact the ICEAA International Business office.

Thanks go out to the following individuals for volunteering their time to proctor the certification exam between February and June: **Joe Bauer, Richard Bazy, Ian Cappitelli, Cortney Collins, Paul Gardner, James Glenn, Robert Heath, Dave Holm, Nathan Honsowetz, Andrew Jones, Yun Kim, Mitch Lasky, William Lueker, Mike McHenry, Mary Anne Scully, Janet Wentworth.**

PCEA® Achievers/CCEA® Eligible:

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Gregory Brown, AFIT

Geoff Driskell,
US Navy

Skyler Embrey, MDA

Angela Fields,
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Thomas Harless,
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James Ibbitson,
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Sarah Lloyd, US Navy

Justin Moore, AFIT

Rachel Moore, BCF

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David Holm,
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Andrew Walker



2015 Workshop Overview

Contributors:

Remmie Arnold, 2015 Training Co-Chair
Andrew Drennon, 2015 Best Paper Co-Chair

Megan Jones, ICEAA Executive Director
Michael Thompson, 2015 Workshop Co-Chair



The 2015 ICEAA Professional Development & Training Workshop was an overwhelming success. Nearly 450 professionals from government, industry, and academia came to San Diego for 3 1/2 days of training and professional papers, June 9-12, 2015. For those in attendance, this year's special San Diego section should bring back fond memories; and for everyone else: check out what you missed and what you can look forward to when you join us in Atlanta next year!



The workshop kicked off on Tuesday morning with the Best Paper Awards. 2015 Best Paper Co-Chair **Andrew Drennon** presented the award for the best overall paper of the 75 presented during the week as well as winners of the awards for the best papers in each of the six subject-based tracks. The winners are listed in this issue and their full papers and presentations are available on the ICEAA website for download.



Our first keynote speaker, recently retired Deputy for Undersea Rescue at Submarine Squadron ELEVEN, Dr. **Greg Cotten** gave us an insight into the state of submarine rescue and the related cost estimating and analysis challenges required to deliver predominately fixed price contracts to submarine escape and rescue services.

The welcome reception in the exhibit hall on Tuesday night was a great opportunity to meet with our sponsors and exhibitors, and to get to know fellow attendees in a fun and relaxed environment.

Wednesday's keynote speaker, America's Cup race winner (and loser) **Dennis Conner** presented tales



of the trials and tribulations of yacht racing, giving us a view of project management from a different perspective. The schedule for Wednesday was full of training and paper presentations, and capped off with another reception where attendees unwound with old and new colleagues.



The annual Association Awards were presented by Awards Chair **Joe Hamaker** first thing Thursday morning. The ceremony featured addresses by each of the winners' nominators, giving us a glimpse into what made these outstanding members so deserving of this year's awards.

Following the Association Awards, Thursday morning's general session took a different form than the usual keynote speaker. ICEAA members who have published books on cost estimating and related topics participated in a lively roundtable

2015 Workshop Overview



discussion sharing their experience and advice on publishing.

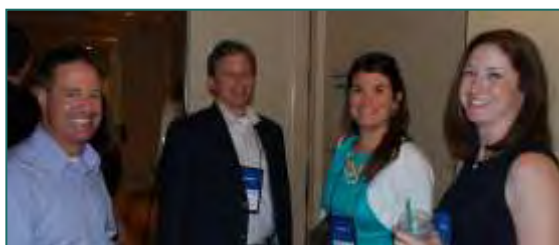
Warmly tying together the morning's themes of honoring ICEAA members and our published authors, Thursday's lunch was in memory of Dr. **Steve Book**, a longtime ICEAA

member and accomplished author. Steve's family joined us as they and members in attendance shared stories and anecdotes in a joyful remembrance of an impressive career.

Altering the schedule of events a bit from past years, the paper presentations began first thing Tuesday morning and ran through Thursday afternoon, allowing Friday to focus entirely on training sessions and supplemental study sessions for members studying to take the CCEA® and PCEA® exams. Beyond simply



preparing students for the CCEA® exam, this year's training sessions were finely tuned to maximize the depth and breadth of content while incorporating new and relevant research findings into the modules.



Our thanks to the 2015 ICEAA Workshop Planning Committee:

Workshop Co-Chairs
Michael Thompson
Doug Druley

Program Co-Chairs
Nathan Honsowetz
Christina Snyder

Association Awards Chair
Joe Hamaker

Training Co-Chairs
Remie Arnold
Peter Braxton

Best Paper Awards Co-Chairs
Stacy Dean
Andrew Drennon

And to the hard working
ICEAA Business Office Staff
who made it all possible:
Sharon Burger
Megan Jones
Joe Wagner



2015 Best Paper Awards

The 2015 Professional Development and Training Workshop featured several adjustments to the usual schedule, but none were as well received as the decision to feature the year's best paper as a general session for all attendees to enjoy. In years past, we've struggled with overcrowding in the best paper breakout room and attendees have faced a difficult decision between seeing the best paper or one of the other outstanding papers presented at the same time.



Andy Prince presents the 2015 Best Paper Overall in the Harbor Island Ballroom

We could not have hoped for a better paper with which to pilot this idea. *The Psychology of Cost Estimating*, by **Andy Prince**, was named the Best Paper in the Program Management Track and later selected from all of the track winners as the Best Paper Overall. Andy's paper discussed how cost estimators can use psychology and behavioral economics to better understand how customers think, thereby improving communication and working relationships with customers, and ultimately improving cost estimates.

Our thanks go out to all of the authors of this year's papers. By volunteering their time and expertise, they are not only providing an invaluable service to ICEAA members and Workshop attendees, but are sharpening the cutting edge of

innovation in cost estimating and analysis techniques.

Thanks also to all of the best paper judges for taking the time out of their busy schedules to read and rate this year's papers. The job of choosing the best papers from all of the exceptional papers received this year was no easy task.

The judges are broken out into teams, one for each of the six tracks, and rate the papers based on technical content, creativity, usefulness in the field, and overall quality and style. The paper with the highest score is named the best in that track. All of the judges from all tracks then reviewed the best papers in each track to determine the overall winner.

Congratulations to Andy and all of the 2015 winners!

2015 Best Paper Judges

Guenever Aldrich	Michael Brozyna	Buddy Everage	David Holm	David Peeler
Richard Aldrich	Savita Choudhry	Bob Fairbairn	Bob Hunt	Paolo Ponzio
Tim Anderson	Kevin Cincotta	Cynthia Foster	Arthur Kaczynski	Tom Sanders
Nathalene Armstrong	Chris Dalton	Dan Galorath	Jukka Kayhko	Steve Sheamer
William Barfield	Tom Dauber	James Glenn	William Laing	Dale Shermon
Walter Bednarski	Charlie Dobbs	Steve Green	Tae Lee	Barbara Stone- Towns
Geoff Bernstein	Eric Druker	David Harris	Jim Linick	Bill Taylor
Blake Boswell	Tom DuPre	Tom Harwick	Ken Marshall	Robyn Wiley
Douglas Brown	Emile Ettedgui	Jairus M. Hihn	J.D Ottenbreit	

2015 Best Paper Awards



Best Paper: Government Processes Track

The Navy Modernization Program: Estimating the Cost of Upgrading AEGIS Guided Missile Cruisers

Jeremy Goucher, Herren Associates

Krystian Jenkins



Best Paper: Methods & Models Track

Generalized Degrees of Freedom

Shu-Ping Hu,

Tecolote Research, Inc.



Best Paper: Parametrics Track

Improvement Curves: An Early Production Methodology

Brent Johnstone, Lockheed Martin Aeronautics Company



Andy Prince (L), 2015 Workshop Overall Best Paper Award winner and Brian Glauser (R), ICEAA International President



2015 Best Paper: Risk Track

Beyond Correlation: Don't Use the Formula That Killed Wall Street

Christian Smart, Missile Defense Agency



Best Paper: Software Estimating Track

Early Phase Software Cost and Schedule Estimation Models

Wilson Rosa, Naval Center for Cost Analysis

Download all of the 2015 Best Papers at
www.iceaaonline.org/sd2015



2015 Association Award Winners

ICEAA thanks everyone who nominated one or more of their colleagues for a 2015 Association Award; the stories shared gave us unique glimpses into what makes our members the best of the best in the cost professions. As you read the summaries of their achievements below, give thought to the dedicated and inspiring members you interact with regularly and consider submitting a nomination for 2016. Information and deadlines will be posted on the ICEAA website once available.

Educator of the Year: **Melissa Teicher**

Long-time ICEAA member **Melissa Teicher** became well known utilizing her cost estimating expertise in fostering the growth of fellow ICEAA members. Over the past 12 months she has supported a variety of programs and provided training across the country on cost tools and cost estimating topics.



*Educator of the Year Award winner
Melissa Teicher (L) and
nominator David Bach (R)*

Despite a very heavy workload supporting multiple clients and projects, Melissa willingly takes on the challenge to develop and deliver high-quality training to a geographically dispersed workforce. In August of 2014, Melissa developed and delivered a two-day, comprehensive, training course for new college graduates with a quantitative skillset and capability with Excel, and molded them into capable cost modelers using a modern tool used at many client

locations. She developed a supplemental class that included real-world applications of the concepts presented in the first, and further expanded the program with intermediate and advanced courses.

Throughout the development and delivery of software and practical training, Melissa makes herself available for telephone consultation or web-enabled training, and travels to provide in-person training whenever necessary. This level of availability, set against the backdrop of a very full client workload and busy schedule, is indicative of her exceptional level of dedication nurturing the future of the cost estimating profession.

Annual Achievement: Technical Award: **Erin Barkel**

This award is given to a member who has accomplished exceptional technical successes that advance the cost estimating and analysis fields. **Erin Barkel**, the 2015 recipient, has contributed immensely to the field by using parametric analysis to help the Canadian Parliament make key acquisition decisions based on sound parametric analysis.

Erin developed novel parametric methodologies and modeling techniques in an independent cost



*Annual Achievement: Technical Award winner
Erin Barkel (R) and
nominator Zach Jasnoff (L)*

assessment to determine the feasibility of replacing Canada's current auxiliary oiler replenishment ships with two joint support ships (JSS). During this project, she extensively researched, normalized and calibrated high-level ship data. Using key parameters, she was able to provide cost estimates at various confidence levels that clearly demonstrated to Parliament a high degree of cost risk.

Her work was lauded in the *Canadian Naval Review*, a professional journal focused on maritime security issues, the Canadian Navy, and oceans policy, marine affairs and national security in general: "at least there is now the basis for a discussion and some solid data to use for comparative analysis." Erin has gone on to use the methodology, techniques, and modeling in the Arctic Offshore Patrol and Canadian Surface Combatant projects.

2015 Association Award Winners



Erin is one of the founding members of the ICEAA Canada Chapter and played an integral role in the wildly successful first annual ICEAA Canada Workshop.

Annual Achievement: Management Award: **Dave Morana**

The 2015 Annual Achievement: Management award is given to a member who has accomplished exceptional management successes that advance the cost estimating and analysis fields. Our 2015 recipient, **Dave Morana**, has made significant and consistent contributions throughout his 30 year professional career.



Annual Achievement: Management Award winner Dave Morana (L) and ICEAA President Brian Glauser (R)

Dave serves as the leader of all center cost estimators at the Air Force Life Cycle Management Center, Hanscom AFB Operating Location in a dual-hatted job of Financial Management and Cost Chief. In this capacity, he initiated numerous innovative approaches to training and managing cost analysis. His "Engineering the Cost Process" course and concept of "Owning the Technical Baseline"

Thanks to the 2015 Awards Committee for taking the time to carefully read and conscientiously score each of the nominations we received this year:

**Hank Apgar • Brian Flynn
Robyn Kane • Robert Nehring
Andy Prince • Alf Smith
George Stratton**

have been adapted and utilized by the Secretary of the Air Force for Acquisition on all programs, and his award-winning cost analysis training program for new analysts has resulted in a threefold decrease in the time required to mold qualified analysts. Dave's work on the source selection advisory council for Hanscom's \$1.7B support contract – the largest in its history – resulted in a 40% reduction in cost. He pioneered new methodologies to estimate Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) programs, including DoD's first rapid cyber facilitation.

Throughout his distinguished career, Dave has served as a mentor to cost estimators too numerous to count. He has been an active member in the ICEAA New England Chapter, including two terms as its president. We are honored to recognize his contributions to our community.

Parametrician of the Year: **Peter Frederic**

The 2015 Parametrician of the Year award recipient, Peter Frederic, was nominated and named not just for his contributions to the cost community throughout the year, but over the course of a lifetime. From the ground up, Peter built the model called Probabilistic Technology Investment Ranking System (PTIRS) for NASA aeronautics. It began as a straightforward parametric solution to an economic question—how to determine if an investment in a given technology will yield acceptable returns for the government—and has since extended to several government and non-government offices.



Parametrician of the Year winner Peter Frederic (L) and nominator Rey Carpio (R)

Peter creatively leveraged the power of parametrics into PTIRS to produce credible results for NASA. PTIRS provides comprehensive life cycle cost coverage, addressing all costs from technology maturation through the end of operations. PTIRS models have already extended applicability to many other studies and platforms,



2015 Association Award Winners

having been used for NASA Subscale Test Vehicle (STV) estimating, International Council for Clean Transportation (ICCT) cost estimating and analysis project, NASA Advanced Vehicle Concept study, and many other applications and projects.

This singular yet multifaceted effort in conceptualizing and developing the PTIRS parametric model and its legacy has advanced the credibility and applicability of parametrics into a variety of platforms, and it will continue to enhance the usage and impact of parametrics in the project management communities and decision makers.

Frank Freiman Award: **Ricardo Valerdi**

The Frank Freiman award is named after the creator of the first successful commercial parametric cost estimating model and an early advocate of one of ICEAA's parent organizations, the International Society of Parametric Analysts (ISPA). Established in 1982, the award is given to an ICEAA member in recognition of lifetime accomplishments with focus on innovation in parametric cost analysis or estimating.



Freiman Award winner Ricardo Valerdi (R) and nominator Dan Galorath (L)

The 2015 recipient, Dr. **Ricardo Valerdi**, built the original COSYSMO systems engineering parametric cost model, which has been commercialized by three companies and is used by many more. COSYSMO has been integrated into curricula at universities including the Naval Post Graduate School, University of Southern California, University of California San Diego, Arizona State University, University of Texas El Paso, Southern Methodist University, George Mason University, Cranfield University, and University of South Australia. In addition to his many professional accomplishments, Ricardo dedicates his time and resources helping underprivileged youth learn math and science. He formed the "Science of Baseball" program to support these children and to stimulate their interest and pursuit in science, technology, engineering, and mathematics (STEM).

Ricardo has been an active member of ICEAA and ISPA for years and is currently the editor-in-chief of ICEAA's *Journal of Cost Analysis and Parametrics*. Both personally and professionally, Ricardo's contributions have made him the ideal recipient of the 2015 Frank Freiman award.

Association Service Award: **Andy Nicholls**

Andy Nicholls, the ICEAA United Kingdom Region Director and recipient of the 2015 Association Service Award, has been a member of ICEAA (and previously ISPA) for over 15 years. During that time, he has



Association Service Award winner Andy Nicholls (R) and nominator Quentin Redman (L)

been a model for professionalism in costing and a champion of professional development. In the year 2000, he assisted in introducing an accreditation program similar to ICEAA's that has since won recognition as a valuable certification, gathered momentum and served to enhance the reputation of costing staff.

In his award nomination letter, Andy's colleagues described the ideal candidate for ICEAA's annual award recognizing exceptional association service. "He has been head and shoulders above his peers with his embracing of cost analysis both as a discipline and as a working skill that needs to be developed, within and outside of his current employer," they wrote, and went on to describe a confident presenter, mentor, and "a trusted and authoritative advocate within the UK costing community."

Andy not only strives to encourage membership and active ICEAA participation, but follows his own example. He is a regular nominator of other association award winners, contributes to US and international conferences, and was just elected to his fourth board term as UK Region Director.

2015 Association Award Winners



Lifetime Achievement Award:

James Hayes

The 2015 Lifetime Achievement Award recipient, **James Hayes**, Director of Estimating and Pricing of Boeing Commercial Airplanes (recently retired), has been an advocate for ICEAA training and certification throughout his impressive career.

Jim has been a long-time, highly active member who genuinely recognizes ICEAA's value in perpetuating and advancing the cost analysis skillset. To encourage employee involvement, Jim instituted a policy to fully fund ICEAA membership fees for all employees within Boeing's

commercial division. He extended that funding support to cover travel and registration expenses so that those members could maximize their involvement by attending the annual Professional Development & Training Workshop. That encouragement does not stop at simply promoting membership and workshop attendance; he actively works to seek out potential candidates for volunteer leadership positions at the chapter and international levels, and continually mentors those future leaders.

He is an active participant at the Northwest Chapter, regularly attending and often guest speaking at local chapter events. A staunch

supporter of training and certification, Jim established an annual recognition award luncheon at the ICEAA Northwest Chapter to commend Boeing employees on obtaining their CCEA® or PCEA® certifications. Innumerable individuals owe their professional development to Jim's stewardship of the entire cost community, and ICEAA is honored to recognize his lifetime of service.



Lifetime Achievement Award Winner James Hayes

ICEAA Authors Panel

Thanks to the ICEAA members who volunteered to share their experiences with the book publishing process from idea to distribution.

We are proud and humbled to have such a collection of distinguished authors among our membership!

Special thanks to **Tim Anderson** from The Aerospace Corporation for expertly moderating the discussion.

Paul R. Garvey and Raymond P. Covert:

Probability Methods for Cost Uncertainty Analysis:

A Systems Engineering Perspective

Dale Shermon:

Systems Cost Engineering -

Program Affordability Management and Cost Control

Dan Galorath:

When Performance is Measured Performance Improves

Gregory K. Mislick and Daniel A. Nussbaum

Cost Estimation: Methods and Tools

Barry Boehm:

Software Engineering Economics



From left to right: Paul Garvey, Dan Nussbaum, Barry Boehm, Dale Shermon, Ray Covert, Dan Galorath, and moderator Tim Anderson



2015 Workshop Photos

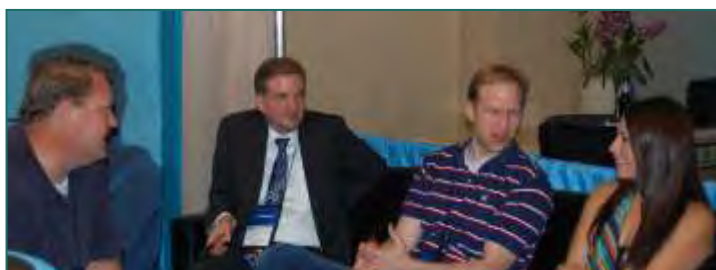
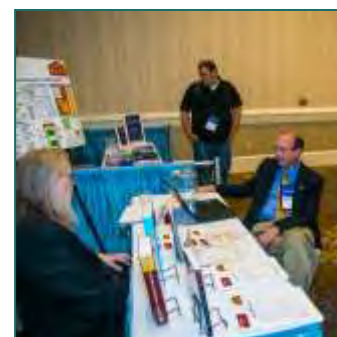


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2015 Workshop Photos



Speaker bios, session descriptions and more photos at : www.iceaaonline.org/sd2015



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2016 Workshop Introduction

by Mike Thompson, 2016 Workshop Chair

San Diego was even better than we expected and we are already hard at work making sure the Atlanta workshop continues the streak of outstanding ICEAA events.

We will be at the Grand Hyatt, located in Buckhead, Atlanta's go-to neighborhood for fine dining and world class shopping. Not that the robust schedule we have planned will allow you much time to enjoy either during the daylight!

Deadlines for 2016 will be nearly identical to last year's. The time these deadlines allowed gave us the opportunity to shape the role of the track chairs from administrative gophers to consultative mentors. Papers and presentations went through a review period during



2016 Workshop
June 7-10, 2016
Atlanta, Georgia

which the track chairs provided feedback with which the authors could tweak their offerings for maximum effectiveness.

It paid off. Several 2015 attendees commented that there were so many quality presentations on the schedule that it was difficult for them to choose which ones to attend. While that may sound like a complaint, it's music to our ears and exactly the kind of "problem" any workshop wants to have.

Look forward to a continuation of the improvements made for 2015 and even more tinkering with what works well and what could work better for an event full of exceptional professional development and training offerings.

Professional Papers Deadlines:

December 4, 2015: Abstracts and bios due

January 15, 2016: Announcement of accepted abstracts

March 30, 2016 Papers, presentations and release forms due

Only those entries submitted with a long-form paper by March 30 will be considered for Best Paper Awards

Training Modules Deadlines:

December 18, 2015: Requests to provide training due

January 8, 2016: Selected trainers will be notified (approximately)

February 26, 2016: Training Brief abstracts, full submissions and trainer bios due



Society for Cost Analysis & Forecasting (SCAF): Costing News from the UK

by Dale Shermon, SCAF Chairman

It's getting hotter and the days are certainly getting longer in the UK. Since the last SCAF update we have held the summer banquet with our 2nd award ceremony. This was a well-attended event at the Bailbrook House Hotel in Bath on July 9th. Nearly thirty members and guests attended the event, which included dinner and the presentation of the SCAF awards for the year ending September, 2014. We awarded:

Brian Tanner: Best Newsletter Article

Andy Nolan: Best Quality Presentation
Commendations to Matt Hemsley, Helen Holden and Heiko Großmann

John Moore: Best Technical Paper

Andy Nolan: Members Award

Frank Murphy: P G Pugh Award for innovation
Commendation to Sanathanan Rajagopal

Joe Harland: SCAF Service Award

Please keep offering us those presentations and newsletter articles.

I attended the ICEAA Workshop to represent SCAF in June. I presented a paper on macro-parametrics and my colleague **Mark Gilmour** presented a paper comparing the maturity of the UK and USA cost engineering communities.

The ICEAA workshop attendance was increased from last year with the event attracting nearly 450 attendees with more US DOD and NASA staff present than in the recent past. With multiple presentation and training tracks there was not a moment of boredom all week. In my opinion, the hot topic at the conference was the psychology of estimating with the Best Paper Award going to **Andy Prince** for a paper on this topic, but the subject also got a good airing in other papers also. I can also report that **Andy Nicholls**, who is an ICEAA UK director and member of the SCAF committee, received the ICEAA 2015 Association Service Award. Congratulations to Andy and thanks



SCAF Chairman discussing the 2016 ICEAA Workshop with ICEAA President Brian Glauser

for your support on both sides of the pond!

The conference organisers confirm that they have plans for an ICEAA conference in Europe next year, and due to the large population of ICEAA members in the UK, specifically around Bristol, this is their preferred venue. Your SCAF committee has signed a MOU with ICEAA so we have extended an offer to help with the organisation of the conference. Please look for future announcements in the SCAF newsletter regarding this event.

The new HM Treasury Aqua Book, [Guidance on Producing Quality Analysis for Government](#), has been published and is worthy of note here. There is a lot of high quality



SCAF Chairman view while participating in the ICEAA Author plenary session including Dan Galorath, Ray Covert and Barry Boehm



Tony DeMarco from PRICE Systems commends award recipient Andy Nicholls

analysis conducted in the SCAF community and our workshops are a testament to this. But the UK government has experienced some criticism resulting from difficulties with the analysis conducted for the Intercity West Coast franchise competition. As a result, the Aqua Book provides guidance for the development of quality analytical modelling across government. The aim is to extend best practice across the whole of government with focus

on quality assurance, governance and accountability, culture, capacity, capability, and control.

Following the signing of our MOU with the Association of Cost Engineers (ACostE), I attended their council meeting on the July 7, 2015 and promoted upcoming SCAF events. ACostE have many more members than SCAF and they are a mixture of project controllers / cost engineers / forecasters / estimating

and quantity surveyors. ACostE have their annual event at Cranfield University this year on September 21 and 22, with a full agenda of presentations and workshops.

SCAF visited Ribby Hall Holiday Village near Preston this summer for the second year. This meeting was again a great success and if you missed the event there were some inspiring presentations and the question and answer session was very thought provoking.

The future programme for this year is shaping nicely with the annual conference at the **QE II Conference Centre in London**, which is a new and more formal conference setting for SCAF on **September 15th**. This will be followed by a workshop on Investment Appraisals in Bristol in November. Enjoy the rest of the summer and put the dates in your diary now.



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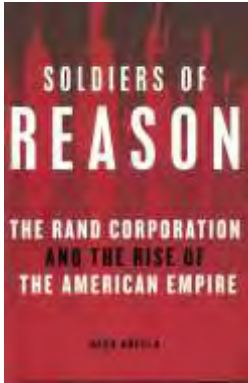
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- TEACHING, PUBLISHING, PRESENTING ON COST TOPICS

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Money Changes Hands... ...A Good Book Changes Minds

Book review by Col David Peeler



Staying with an analytical bent, much in the vein of the last two review offerings, but again devoid of math and equations, the book under review in this edition of *ICEAA World* is one that analyzes the use and impact of analysis. As cost analysts, and more broadly systems analysts, we are often involved in bigger decision forums. How does all this analytical stuff work to make a difference? What is the impact of quantitative analysis on the broader world? If you have ever asked such a question, this title might be of more than passing interest.

Given the U.S. budget situation in today's world environment, many

senior leaders are emphasizing a shift to data driven decisions. I would prefer information driven as the semantics, but it lacks the alliterative flare. In *Soldiers of Reason*, Abella provides a portrait of U.S. policy since the 1960s as the history of RAND; especially the turn from pre-WWII approaches to the growth of systems analysis.

Throughout the book Abella focuses on Albert Wohlstetter, a mathematical logician turned nuclear strategist who tended to dominant RAND from the early 1950s. His influence continued through RAND – and later, University of Chicago – disciples, well into the 2000s. A brilliant man whose early analysis brought him into direct confrontation with nuclear strategists in the DoD, Wohlstetter perfected and championed the “RAND approach” and groomed a stable of acolytes – a who's who of U.S. defense influencers. The RAND approach and its practitioners apply unrelenting logic and the reductive methods of quantitative systems analysis to situations under scrutiny.

The book works chronologically through RAND's history via six parts. Each part deals with a particular phase

of RAND's progression towards increased influence. Part 1 introduces the founding of RAND, its approach to problem analysis, with a view of society ruled by objective analysis applied by technocrats, and an early shift in thought to not the winning of wars, but the avoidance of them.

Part 2. Abella deals with Wohlstetter's personal history and loyalties. These eccentricities set the stage for his personal and professional relationships that shaped the formation of U.S. strategic nuclear thought, and ultimately policy. RAND analysts spent their time deducing logical lessons from history, examining alternative scenarios and following disparate logical themes in order to discern valuable information from such thought experiments. Most importantly, they treated facts as facts no matter how distasteful; and then set about dealing with the facts.

The rise of the Kennedy administration “Whiz Kids” is the core of Part 3. Abella chronicles the whiz kids' RAND connections. He links their influences to how they changed the Pentagon's decision processes. These “RANDites” introduced “The Art of Science” deep into the defense department.

Part 4 covers the Vietnam era at RAND and even examines a RAND analyst's involvement in the disclosure of the Pentagon Papers. Chapters in this part

SOLDIERS OF REASON: THE RAND CORPORATION AND THE RISE OF THE AMERICAN EMPIRE

ALEX ABELLA

Harcourt, Inc.: Orlando, Florida; 2008

also deal with the expansion of the “RAND approach” to social policy work.

The opening of Part 5 addresses Wohlstetter's advice regarding the Soviet occupation of Afghanistan and explores RAND's work with respect to terrorism. This part also speaks to the role of RAND's application of rational choice theory in Reagan's triumph over the Soviet Union.

Part 6 provides a concluding chapter on Wohlstetter, as well as one on the engrained nature of the “RAND approach” in Western thought and its impact on our interpretation of world events.

Soldiers of Reason is a captivating read. However, one might notice some factual errors with respect to the development of the hydrogen bomb, the aircraft models used in the 9/11 attacks, dates of certain events, etc. The factual errors can distract in limited cases, but overall the author's points are well made and supported. The reader can determine if Abella overplays RAND's hand; but the cast of RANDites that moved through high defense posts is undeniable. 🇺🇸

Colonel Peeler serves as Deputy Director, Financial Management and Comptroller for the Air Force Life Cycle Management Center. He is a certified cost estimator/analyst and an Air Force certified acquisition professional in both financial and program management. He is a member of both the American Society of Military Comptrollers and ICEAA.

Washington Capital Area Chapter News

By Dave Stem, Washington Capital Area Chapter President

The Washington Capital Area chapter held its annual meeting on March 4, 2015. The annual meeting provides a forum for communications between the chapter board officers and the local membership, an opportunity to hear a keynote address from a local leader in cost, and a means for recognizing achievement.

After some socializing and networking time, the chapter board provided an update of the chapter's activities over the past year. There was a good dialog between the board and the members present about chapter activities and ideas on how to improve for the future.

Our keynote address was given by Ms. **Megan Jones**, ICEAA Executive Director. She spoke about some of the Association's planned initiatives in the coming year and what she sees in store for the future of ICEAA. Thanks Megan!

To round out the evening, the chapter recognized a few of our outstanding members for their good work during 2014 through our awards program. The categories reflect the national level awards and some additional achievement categories. Chapter President **Dave Stem** handed out the awards and is shown here with the winners.

Finally, we want to give a special thanks to the sponsors of the event: **Tecolote Research, Inc.**, **Herren Associates**, **The Aerospace Company**, and **Technomics, Inc.** Their sponsorship helped in defraying some of the costs for putting on the event. It made for a great evening of discussion between the members and recognition for superior achievement by chapter members!



Leadership & Management:
Donald K. (Keith) Bowman,
Tecolote Research, Inc.



Technical Achievement:
Jim Gates,
Tecolote Research, Inc.



Team Achievement:
Joint Agency Contracts Database Team
Technomics, Inc.

Team members: Peter Braxton, John Claude Kassab, Thomas Harless, Vanessa Welker, Michael Horak, Derreck Ross, Jeffery Brown, Remmie Arnold, James Parnham, Harold Solis, Diana Kerr, and Caroline Rowley
(Pictured from left to right are Harold Solis, Derreck Ross, John Claude Kassab, and Remmie Arnold)



Junior Analyst:
Ben Schmidt,
Air Force Cost Analysis Agency



Best Luncheon Presentation:
*Joint Agency Cost Schedule Risk
and Uncertainty Handbook*
Alf Smith,
Tecolote Research, Inc.
(Lee Waymire received
on Alf's behalf)

Detroit Chapter Report

By David Holm, Detroit Chapter President

The Detroit Chapter in conjunction with the TACOM Life Cycle Management Command's Cost and Systems Analysis office sponsored a two-day Ground Vehicle Cost Working Group event at TACOM on 21-22 July to promote cost analysis data, policy and methodology interchange between Government and Industry. The event saw 150 Department of Defense and industry cost estimators and finance personnel from ground vehicle original equipment manufacturers come together to discuss current and proposed cost data collection policies as well as demonstrate new data environment and cost estimating tools being used across ground vehicle programs.

Dr. **Richard Burke**, OSD Cost Assessment Program Evaluation (CAPE), Deputy



Brigadier General David Bassett



Chapter President David Holm

Director for Cost Assessment gave opening remarks on the state of the cost community, the importance of data driven estimates at the Defense Acquisition Board reviews and the increased emphasis on operating and support costs. BG **David Bassett**, Program Executive Office (PEO) Ground Combat Systems, provided a PEO perspective and highlighted that the cost estimators facilitate the hard decisions that are presented at the Defense Acquisition Board reviews by helping to answer whether the service can afford to buy the system and if so, can they afford to own it. Based on the extremely positive feedback from the attendees the event was considered a resounding success and will become a regular forum in the future for industry and government to collectively address cost issues and policies related to ground vehicle systems. 🌐

ICEAA 2015 Members Meeting September 30, noon EST

Join the new ICEAA Board of Directors at noon eastern for a presentation on the state of the association, current initiatives and upcoming strategies.

Register online and submit questions or agenda topics for discussion at:

www.iceaaonline.com/membership

Northwest Chapter Report

In this issue of ICEAA World, we are highlighting the work of the Northwest/ Washington State Chapter, to both acknowledge their many activities and quality chapter planning, as well as offer examples of the many kinds of things a chapter can do to provide benefits for their membership and advance the interests of the Association.

NW Chapter Officer activities!

Chad Larson, NW Chapter Secretary

The new officers (see listing at the bottom of this report) have familiarized themselves with their roles, as well as established a monthly meeting cadence. The officers are currently focused on growing chapter membership and participation as well building and improving upon the chapter's educational/training offerings. During the first half of 2015 the monthly chapter meetings were expanded to include all members of the NW chapter and a networking/social event was held in May.

Four of the officers attended the ICEAA Workshop in June in San Diego and all participated actively in different roles.

Cheryl Wilson presented a paper in the Parametrics track titled *A CER Development Process for Spares Estimating*, **Stacy Dean** co-instructed the CEBOK® prep class for Probability and Statistics, while **Rod Olin** and **Chad Larson** participated as track chairs. Several other members of the NW Chapter also attended the ICEAA Workshop and plan to continue their involvement in chapter activities. The officers are finalizing the details for a CCEA® exam prep course this fall. Another networking/social event is set for August with more planned for later in the year.

Finally, the NW chapter was proud to have one of our own longtime executive sponsors, **Jim Hayes**, recognized with ICEAA's prestigious lifetime achievement award!

Following are some thoughts from our other officers:

Serendipity in San Diego

Rod Olin, NW Chapter Vice President

At the beginning of April, I was asked if I was interested in being a track chair at the workshop. I didn't really know what was involved, other than introducing some speakers, which seemed like it would be fun. So I said, "Sure. Why



not?" Sometimes when you say "Sure. Why not?" it turns out to be a big mistake. This time, it turned out GREAT!

Those of you who have not had the opportunity to attend a workshop may or may not know, that the speakers are grouped together by their general subject matter. These groups are called tracks. I was assigned to the program management track with an experienced track chair (**Bill Barfield** of Quantech Services, Inc) as a partner (thank goodness).

What I did not expect was getting to read and critique all of the papers which would be presented in the program management track. The papers were sent to me, along with biographies of the speakers. As I started reading the biographies, I was fascinated to see that they included professors from the US Air Force Academy, manager of the Engineering Cost Office at NASA, a senior research analyst from the GAO, company presidents, and senior consultants. It was a fascinating cross-section of the finance world, and they wanted my feedback about their presentations. What a great feeling!

This is one of the great strengths of ICEAA – the opportunity to interact with other experts in the field. People who may be trying to solve the same kinds of problems that we face, but using different approaches.

My advice is to get involved. Go ahead and say "Sure. Why not?" and have some fun. I plan to do it again next year.

continued

ICEAA Chapter and Region Updates

Northwest Chapter Report (Continued)

CEAA Northwest Fundraising – Scholarship Program Development

Cheryl Wilson – NW Chapter
Fundraising Officer

At the Northwest Chapter, we are always trying to think of ways to educate and encourage the development of estimating skills for the betterment of our profession as cost estimators. In doing so, this year the chapter has been exploring implementation of a scholarship program to offer college students majoring in a finance discipline with interests in pursuing a career in estimating.

Our goal is to offer a scholarship ranging from \$500 to \$1000 in value. The chapter would be involved in developing the qualifications for the scholarship as well as participating in the candidate selection process. We are anxious to share this process with the rest of the ICEAA organization as the scholarship process is finalized. Our estimated completion date for scholarship process development is December of 2015.

As we are just in the beginning stages, we would greatly value any ideas or suggestions from the body of the ICEAA organization to enhance and perfect this offering. If you have participated or have experience in implementing a scholarship program we would be thankful to hear from you! For questions or suggestions please contact Cheryl Wilson at Cheryl.R.Wilson@boeing.com.

Recognition of a Legacy: Retired Boeing Commercial Airplanes Division Chief Estimator Receives Lifetime Achievement Award

Stacy Dean,
NW Chapter President

Jim Hayes, retired Chief Estimator for the Boeing Commercial Division and long-time Northwest Chapter member, was recognized with ICEAA's prestigious Lifetime Achievement award in June at the 2015 ICEAA Annual workshop.

The Lifetime Achievement award recognizes individuals who have demonstrated lifetime accomplishments in enhancing and expanding the knowledge, application, standardization and means of collaboration of the cost estimating discipline. Through Mr. Hayes' varied and extensive 35 year tenure with the Boeing Company he has made significant contributions in all areas recognized within the award.

Mr. Hayes has overseen estimating activity for nearly all recent major program and developmental efforts within the company (including: the B-2 Bomber, Joint Strike Fighter, Sonic Cruiser, 787, KC-46A Tanker, 737MAX and the 777X). Throughout his career, Mr. Hayes has been appreciated by all levels of leadership as a source of trusted guidance in determining some of the company's most important financial decision.

As Director of Estimating and Pricing for Boeing's Commercial Airplanes division, Mr. Hayes made



*Jim Hayes, 2015 ICEAA Lifetime
Achievement Award Winner*

substantial advances in the superiority of financial analytics. Jim oversaw major improvements in accessibility of the Commercial division's historical data archives through the establishment of a common data archiving methodology for roughly 60 years of historical airplane activity. Additionally, Jim oversaw the development of a robust and validated analytical tool-set to increase overall efficiency and quality in estimate development.

In addition to Jim's professional accomplishments, he has also played a major influence in the career development of many individuals. Jim has been considered by the Boeing Company as one of its most valued mentors. Jim has actively mentored countless individuals over his career imparting invaluable insights, guidance and encouragement in working in the field of estimating and developing parametric analysis.

Jim's life-time stewardship to the estimating & pricing profession, as well as the professional development of countless individuals within the field, is nothing short of remarkable and very befitting for such a prestigious award.

continued

Northwest Chapter Report (Continued)

Brainteasers!

The Northwest Chapter is kicking off a monthly brainteaser contest for its members. The brainteasers are trivia questions/exercises based on the concepts and techniques covered in the CEBok®. The idea is to provide a fun way for chapter members to hone their estimating skills as well as study for the CCEA® exam.

Each month a CEBok® module is selected randomly to develop a question from. The brainteaser questions are sent out monthly to chapter members. In addition to receiving honorable mentioned, each correct answer get entered into a drawing to win a prize.

The brainteaser has been a fun way to increase chapter member engagement, provide a hands-on training opportunity, and expand CCEA® study resources. The Northwest Chapter is always on the hunt for new brainteaser questions. If you would like to submit a question to showcase in an upcoming month, you will receive honorable mention to all our member as well as a small token of appreciation from the chapter.



If you would like more information to start a brainteaser in your own chapter please contact Stacy.m.dean@boeing.com

CCEA® Training Workshop *David Torgerson, NW Chapter Education Chair*

On August 25 the Northwest Chapter will start a 10 week CEBok® training session for ICEAA members. At the end of the training session students will have the option to take their certification exam. Classes will be held every Monday for two and a half hours and will cover all modules in the CEBok®.

The Northwest Chapter is departing from its traditional “lecture based” method of giving training sessions. Chiefly, we’ve streamlined the training to place more emphasis on hands-on applications to assist individuals in their studies. Overall, the modifications have helped us shorten the amount of sessions by half, freeing up students time and better accommodating their schedules.

A key change to the training program is consolidating multiple of the less technical modules into two workshop-style course sessions. For these sessions, students will pre-read the modules and bring their questions to the class session to give insights and explanations from a team of instructors. The more technical modules will remain in a typical classroom format, but with increased emphasis on hands-on demonstrations of applying the concepts covered in the CEBok®. Additionally, we’ve developed homework sheets to help students zero-in on key topics and concepts while studying.

Overall, we’re are hoping the changes will better serve individuals in attaining their CCEAs.



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Secretary: **Chad Larson**
chad.m.larson@boeing.com

Region Seven News

Southern California and San Diego Chapters

By Kurt Brunner, SoCal Chapter President and Region 7 Director; Omar Mahmoud, San Diego Chapter President; and Quentin Redman, SoCal Chapter Vice-President

The Southern California (SoCal) Chapter of ICEAA Region 7 successfully conducted a Spring Workshop at beautiful

Fort MacArthur in San Pedro, California on March 18, which was well attended and highly rated by the many attendees.

Among the terrific presentations were ones by **Christian Smart, Ph.D.**, Missile Defense Agency; **Bob Hunt**, Galorath Federal; **Tom Harwick**, Northrop Grumman; **Kent Joris**, MEE LCC; **Bob Becker**, PRICE Systems LLC, and **David Graham**, Independent Consultant. A complete listing of the presenters and their topics can be viewed at the SoCal website.

A dynamite Southern California Chapter Fall 2015 workshop is being planned. It will be held **September 9** at the impressive Aerospace Facility in El Segundo, California. Currently the agenda includes:

Todd Nygren, The Aerospace Corporation, *Welcome to Aerospace*

Bob Hunt, Galorath Federal, *The Resource Analysis Implications of Cyber Security (How to Assess the Value of Security Investments)*

Lorrie Davis, The Aerospace Corporation, *How Long Does It Take to Develop and Launch Government Satellite Systems?*

Dr. Sadrul Ula, Winston Chung Global Energy Center (University of California – Riverside), *Technical and Economic Challenges of Integrating Renewable Energy, Electric Vehicle Charging and Battery Energy Storage in a Modern Grid*

Joe Bauer, PRICE Systems, LLC, and **Pat Malone**, MCR LLC, *Cost Estimating Challenges in Additive Manufacturing*

Wayne Wright, Lockheed Martin Aeronautics, *Estimating Prototype Air Vehicle Development Costs at the Skunk Works® -- The Sequel*

David Graham, Independent Consultant, Salient Federal Solutions, *Two Complementary EVM Cost-Risk Models – Part 2*

View upcoming SoCal Chapter workshop agendas or download previous workshop briefings at:
www.iceaaonline.com/chapters/socal

Typically we have 80 to 100 attendees from across the nation (and also from overseas) that participate in these no-cost, daylong events. These forums have consistently drawn a huge cross section of the cost analysis and parametric community while presenting the latest concepts and techniques, and have produced animated and enthusiastic dialogues and great interest in the topics discussed. We look forward to seeing you at this next workshop!

The Southern California Chapter Winter 2015 workshop, in advanced planning, promises to continue the tradition! It's scheduled for **December 16** at **Raytheon** in El Segundo, California, and many dynamic speakers are already enlisted. This promises to be another exciting event so start planning now to be there!

At the conclusion of our ICEAA SoCal workshops, and as an incentive to stay until the last



Kurt Brunner



Quentin Redman



Omar Mahmoud

Questions? Contact the following for questions on:

Hosting or presenting at a SoCal workshop:

Kurt Brunner: (310) 524-3151
kurt.r.brunner@leidos.com or
Quentin Redman: (310) 692-5926
quentin.redman@pricesystems.com

Membership Status:

Steve Sterk:
steve.a.sterk@nasa.gov (661) 276-2377
Or you can always reach out to the
ICEAA office at iceaa@iceaaonline.org
or (703) 938-5090.



March 18, 2015 SoCal Workshop Attendees

presentation is complete, a membership drawing is held. Our Membership Chair, **Steve Sterk**, is always on hand with a selection of great gifts for the drawing – “winner must be present.”

SoCal workshop agendas, containing registration information, a location map, and driving instructions, are available to all ICEAA members and are emailed to previous workshop attendees. The agenda is also posted on the ICEAA Southern California website. As always, our workshops are free. Stay tuned!

If you would like a copy of previous workshop briefings please go to the ICEAA website. All available presentations are loaded on the website following the meeting. If you have any questions about the presentations please feel free to contact the ICEAA Southern

California Board of Directors or the ICEAA office.

Please consider hosting a workshop or presenting at a workshop! It will be a rewarding experience. If you are interested in hosting a workshop or making a presentation at a workshop, please contact **Kurt Brunner** or **Quentin Redman**.

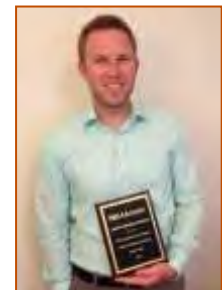
Our workshop focus is always to “Advance, encourage, promote and enhance the profession of cost estimating and analysis through the use of parametrics and other data-driven techniques for use by the membership as well as the general public”. The Southern California and San Diego Chapters of ICEAA will continue to offer workshops that include a notable and diverse group of extraordinary speakers, training sessions, cutting edge topics, and knowledgeable attendees that are fully entertained and engaged.

We would like to thank the board for their tireless teamwork in making the SoCal workshops a great success, as well as all the members and participants for their support over the years. We look forward to seeing you at the next workshop!


The ICEAA Region 7 San Diego Chapter has been holding regular webinars and early evening get-togethers, and recently gave out two awards recognizing outstanding achievement by our chapter members: **Jennifer Lampe**, the 2015 Junior Estimator/Analyst of the Year and **Christopher Jerome** 2015 Senior Estimator/Analyst of the Year for the San Diego Chapter!



Jennifer Lampe



Christopher Jerome

Several members of the chapter also volunteered to work the registration desk at the ICEAA Workshop held in San Diego this past June, and we are planning a joint ICEAA/AACE event, with more details available soon. 

ICEAA Southern California Chapter Board of Directors:

January 1, 2015 - December 31, 2016

President	Kurt Brunner
Vice-President	Quentin Redman
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Lone Star Chapter Update

By Augie Goerner, ICEAA Lone Star Chapter President

Chapter officers and members from Lockheed Martin and Bell Helicopter met July 16 at Blue Mesa Grill in Fort Worth, TX. The group discussed ideas for programs and events for the remainder of 2015, including the following:

Golf Tournament at The Cliffs Resort at Possum Kingdom in late September. If you would like to participate, please contact **Cathy Kehoe** at cathy.kehoe@lmco.com and she will provide details as they come together.

- Chapter-sponsored webinar featuring speaker(s) from the June ICEAA Workshop.
- Joint Meeting with National Contract Management Association on negotiation skills and contract pricing
- “Connect & Engage” in October at Lockheed Martin Aeronautics – to set up information exchanges, to include “giveaways”. Plan for an F-35 model giveaway at our next chapter meeting to increase interest in our chapter meeting.



Nate Armstrong, Lisa Schmitz, Stephen Jeansonne, John Deem, Cathy Kehoe and Augie Goerner at Blue Mesa Grill

If you interested in joining the Lone Star Chapter or you are ever in the Dallas, Fort Worth or Arlington area and you are interested in presenting or participating in a Lone Star Chapter event, please contact us and we'll see what we can do to accommodate your interests!



Central Florida Chapter Update

By Jim Roberts, ICEAA Central Florida Chapter President

The Central Florida Chapter holds meetings approximately every other month, with meeting locations alternating between the Orlando Area and the Florida Space Coast (region near Kennedy Space Center).



Chapter meeting speaker Dr. Yu and Chapter President Jim Roberts

The most recent Central FL chapter meeting was held in Melbourne on May 19, 2015. The speaker was Dr. **Weiping Yu**, a physicist at NASA Kennedy Space Center, who provided a very interesting discussion and slide show on “Unlocking the Mysteries of the Universe.”

Two members of the Central FL Chapter, **Terry Lambing** and **Jim Roberts** attended the National Workshop in San Diego on June 9 – 12, and presented a paper titled “Methods Used in Pricing and Conveying NASA Assets for Use by Commercial Programs” in the Government Processes Track.

The Central Florida Chapter has

ICEAA Central Florida Chapter Board of Directors:

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upcoming meetings for this year planned for August and October, and an annual Christmas party in December.



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