

Washington Metro
Chapter, SCEA



President's Message

David Stem, Chapter President



The Society of Cost Estimating and Analysis

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Chapter Activities:

- Monthly Luncheons
- Local Training Opportunities
- Conferences
- Quarterly Newsletter

It's already time for change again! You may have noticed from the picture above that we have a new president. As the former vice president and new incoming president of the Washington Chapter of SCEA, I'd like to thank the membership for exercising their vote and thank the out-going board members for their service to the chapter. We had a good response rate with almost 140 members casting their votes.

First, I'd like to thank our outgoing president, Jeff Moore who implemented new initiatives during his tenure to improve communications to our membership and provided opportunities for recognition. He'll stay on in an advisory capacity as past president. Also, thanks goes to Chris Sheng who held the treasurer post, doing a great job maintaining the accounting for the chapter to receive a clean audit.

Also, I'd like to thank the other board members who have

Coming Soon...

Website Updates

Watch for updates coming to the Greater Washington Area SCEA website (www.washingtonscea.com) this fall. Plans for the website include updating contact information, fixing broken links, and adding additional relevant cost resource links. Additionally, we'll try to update/modernize the website format.

decided to stay on for a new term of office. First, Meghan Kennedy from the Air Force Cost Analysis Agency has moved from her previous position as Secretary to Vice President and will head up training and other special events for the chapter. Secondly, Jennifer Swartz of Kalman will continue to keep open communications with our members and keep our roles accurate. Finally, Tim Anderson from Aerospace, serving as programs chair, will keep providing opportunities for networking and stimulating talks at monthly luncheons.

I would like to introduce the newly elected board members. First, William Laing from Technomics is our new Treasurer. Also, Kirsten Schulte from TASC will take over Meghan's job as secretary and will be editor of the newsletter. Janet Geldermann from Aerospace will also provide IT support in updating the chapter website. For more information on the new board, please see

Annual Meeting

The Annual Chapter Meeting will be here before you know it! We are shooting for an early January date, but please be on the lookout for details as we nail them down! In the meantime, we are soliciting nominations for our annual awards to be presented at the Annual Meeting. The categories and nomination

the article on the next two pages giving biographies for each one.

Some of the other interesting topics you will see more about in the newsletter are information on our annual meeting, nomination information for annual awards, upcoming luncheon speakers, and training opportunities. Also, we would like to start soliciting nominations for our annual awards. The categories will be the same as last year and more information is provided in the article on page 5.

I look forward to serving as your president for the next two years. Some of my goals for my term include increasing training/networking opportunities, providing opportunities for recognition, and broadening our membership to include the next generation of cost analysts. Please feel free to contact me or anyone else on the board with ideas to better serve you, the membership. Change is good!

information can be found on pages 5-6 of this newsletter.

Training & Luncheons

Be on the lookout for training and luncheon information in the coming months!



Meet the New Washington Metro Chapter Board

We'd like to introduce the new Washington D.C. Metro Chapter Board of Directors:



President: David Stem

David E. Stem is a cost analyst at the Air Force Cost Analysis Agency and has been working in the field for the past 20 years. Since joining AFCAA in 2006, Mr. Stem has worked on cost estimating for some of the largest major defense acquisition programs in the Air Force. Prior to working for AFCAA, Mr. Stem researched various aircraft acquisition topics with a focus on cost implications and published various cost studies while working for the RAND corporation. Before joining RAND, Mr. Stem worked as a Staff Specialist at the Office of Secretary of Defense (Acquisition, Technology & Logistics) on weapons, cargo, and tactical aircraft programs coordinating the acquisition reviews as programs proceeded for major acquisition decisions. Previous to this assignment, Mr. Stem worked as a cost analyst at the Naval Center for Cost Analysis leading the development of independent estimates. Mr. Stem began his career at the Naval Air Systems Command working in the cost department developing early program estimates for the Joint Strike Fighter and the Joint Standoff Weapon systems. In addition to his direct work experience, Mr. Stem is an active member of the Society of Cost Estimating and Analysis (SCEA) and has held several positions on the board of directors including Programs Chairman, Treasurer, Vice President. Mr. Stem holds a masters degree in business administration with a finance concentration and a BS in aerospace engineering from Virginia Tech. In addition, he has taken several courses at the Naval Postgraduate School towards a aerospace engineering masters. He has also briefed several times at the DoD Cost Analysis Symposium and the SCEA National Conference.

Vice President: Meghan Kennedy

Meghan Kennedy is a Cost Analyst at the Air Force Cost Analysis Agency (AFCAA) in the Aircraft and Weapons Division. She began her career as a PALACE Acquire intern with AFCAA and was placed there permanently after graduating from the program. Meghan has conducted Independent Cost Estimates on a variety of aircraft programs, including B-2 upgrades, Global Hawk, and the Joint Strike Fighter, and is now establishing an AFCAA operating location at Joint Base Anacostia Bolling. She is a Certified Cost Estimator/Analyst (CCEA).



Treasurer: William Laing

Mr. Laing is a SCEA certified (CCEA) senior cost analyst at Technomics with eleven years of experience. In his four years at Technomics, he has supported the Naval Center for Cost Analysis, the Air Force Cost Analysis Agency (AFCAA), Marine Corps Systems Command (MARCORSYSCOM), USA TACOM Cost and Systems Analysis Division, the Defense Cost and Resource Center (DCARC), OSD Cost Assessment and Program Evaluation (CAPE), and NAVSEA. For these customers, he has supported Independent Cost Estimates and Assessments, estimating methodology development, an Analysis of Alternatives, program Life-Cycle Cost Estimates, data collection plan development, data validation, and EVM View development. He is currently the project lead for Technomics' support to OSD CAPE for Space Industrial Base analysis. The focus of this project is developing EVM and IMS data views that provide early-warning program performance assessments. Prior to this, Mr. Laing was the project lead for Technomics' support to USA TACOM's Program Office Estimate (POE) for the Joint Lightweight Tactical Vehicle (JLTV) and the lead Software Resources Data

Reports (SRDR) analyst for Technomics' support to the DCARC. Prior to joining Technomics in 2006, Mr. Laing was employed at SAIC for seven years. His primary customer during this time was the Office of the Deputy Assistant Secretary of the Army for Cost and Economics (ODASA-CE). He performed numerous ground vehicle analysis tasks including database development, data collection and normalization, methodology development, and life-cycle cost estimating. Other customers included the National Nuclear Security Administration (NNSA), the Commander of Naval Installations (CNI), the US Coast Guard (USCG), and AFCAA.



Secretary: Kirsten Schulte

Kirsten Schulte is an operations research analyst at TASC Inc in Chantilly, VA. She holds a BA from the University of Virginia where she graduated with a double major in Financial Mathematics and Economics. She started working in cost analysis as an intern with TASC in 2009 and started full-time immediately after graduation in May 2010. She has spent a majority of her time supporting the Air Force Cost Analysis Agency (AFCAA)

IT Chair: Janet Geldermann

Janet Geldermann is a systems engineer and cost specialist at The Aerospace Corporation. She received a BS in Systems Engineering from George Mason University and a MS in Information Assurance from Norwich University. Areas of interest and tasking include cost estimates, schedule analysis, and milestone acquisition activities.

Meet the New DC Metro Chapter Board, cont'd...



Programs Chair: Tim Anderson

Mr. Timothy P. Anderson is a Systems Director in the Advanced Studies and Analysis division of The Aerospace Corporation supporting NASA Independent Assessments, and a professional cost analyst and operations research analyst with over sixteen years experience, primarily in Department of Defense (DoD) weapon systems and national security space acquisition. Mr. Anderson served for 20 years in the U.S. Navy and began working in the cost estimating field in 1994 while assigned to the Naval Center for Cost Analysis. Following that he served as a military professor at the Naval Postgraduate School, teaching cost estimation, operations research, and other technical courses. He retired from the Navy in June 2001. Mr. Anderson has a B.S. in Industrial and Operations Engineering from the University of Michigan, and an M.S. in Operations Research from the Naval Postgraduate

School. He is a SCEA certified cost estimator/analyst; an adjunct professor in the Systems Engineering and Operations Research departments of the Naval Postgraduate School; was recognized as the "2010 SCEA National Estimator/Analyst of the Year for Technical Achievement;" was awarded the "2010 Wayne E. Meyer Award for Teaching Excellence" from the Naval Postgraduate School; and he is a frequent presenter of topics related to cost estimating and cost uncertainty analysis at forums including SCEA, the Military Operations Research Society (MORS), the DoD Cost Analysis Symposium (DoDCAS), the Integrated Program Management (IPM) Conference, and the Space Systems Cost Analysis Group (SSCAG).



Membership Chair: Jennifer Swartz

Jennifer Swartz is Senior Consultant with Kalman & Company,

Inc. with over three years of experience in Department of Defense (DoD) cost estimation. She was an integral member on the Joint Light Tactical Vehicle (JLTV), an Acquisition Category (ACAT) ID program, and supported the Joint Program Executive Office for Chemical and Biological Defense (JPEO-CBD) with a pilot Will Cost/Should Cost estimates for the Common Analytical Laboratory System (CALs). She has developed multiple Automated Cost Estimating Integrated Tools (ACE-IT) and Microsoft (MS) Excel based Life Cycle Cost Estimates (LCCEs) and Logistics Requirements Funding Summaries (LRFSSs), and has developed Cost Analysis Requirements Descriptions (CARDs) spanning all ACAT levels. She is a 2007 Cum Laude graduate of The Ohio State University, where she majored in Finance and German and is the 2010 Society of Cost Estimating and Analysis (SCEA) Washington Metro Chapter Junior Analyst of the Year.

Local SCEA Training Opportunities

The Washington Metro Chapter of SCEA is excited to offer training opportunities to its members in the coming months. Although focused on preparation for the SCEA certification exams, topics covered will benefit anyone who would like to brush up on their cost estimating skills. Locally, the certification exams will be

offered Nov. 4, 2011; April 14, 2012; and June 30, 2012. Check SCEA's website at www.sceaonline.org for application deadlines, which are typically a month before the exam is held.

Check our chapter website at www.washingtonscea.com and watch

your inboxes for invitations and announcements related to upcoming training.

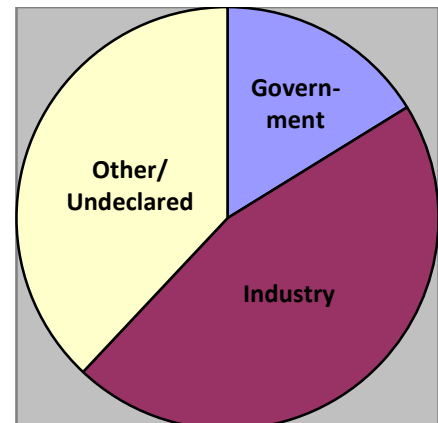
If there are specific topics you would like covered in a training session, or if you are interested in providing training yourself, please contact Meghan Kennedy, the Chapter Vice President, at VicePresident@washingtonscea.com

Chapter Demographics

Ever wonder who makes up the SCEA Washington Chapter? Well, here's the breakout:

- Total Members: 500
- Government: 16.2%
- Industry: 45.8%
- Other/Undeclared: 38%

We're always looking to expand our membership! Help us get the word out and don't forget to renew your membership!



Luncheon News

We hope everyone has enjoyed a great summer, traveling, picnicking, and going to the beach! The Washington Chapter Luncheon Series has likewise been on hiatus for the months of July and August. But, starting in September, we will be off to another roaring start, with some exciting presentations lined up between now and December. For the next year or so, our intention is to bring you a mix of presentations and tutorials covering a variety of cost estimating subjects. Since our last newsletter, we have had the following Luncheon Presentations:

March 2011 Luncheon: Software Development Cost Estimating Relationships

The March luncheon was held at MCR, LLC, in Washington, DC, and featured William Barfield of Quantech Services, Inc. He gave a talk entitled "*Using Regression Equations to Determine Cost Estimating Relationships for Software Development*." According to Mr. Barfield, the writing and testing of large-scale software is expensive and involves many substantial costs in addition to the development of the basic software itself. He demonstrated the methodology, regression results and statistical accuracy of new CERs available for the FAA to use in estimating costs for nine work breakdown structure elements of software development.

April 2011 Luncheon: Thoughts on IT Architectures and Their Relationship to Cost

The April luncheon was held at Technomics, Inc. in Arlington, and featured Mr. Steven Oxman of the Naval Center for Cost Analysis. He gave a talk entitled, "*Some IT Architectures and Their Relationship to Cost*." Mr. Oxman led a discussion that looked at some IT Architectures like Client-Server, ASP, SaaS, IaaS, Cloud, Web, SOA, and MDA. Then he discussed some of the development components like hardware and software, local connections and remote connections (aka networks), and custom software versus commercial off the shelf (COTS) software. Finally, he shared his thoughts on how these relate

to cost discussing both point estimates and uncertainty. This was a bit of a departure from our usual format in that he led a fluid, interactive discussion, using a white board and flip charts. Most attendees thought it was a neat concept!

May 2011 Luncheon: Development and Application of CV Benchmarks

The May luncheon was also held at Technomics, Inc. in Arlington, and featured Dr. Brian Flynn of the Naval Center for Cost Analysis. He gave a talk entitled "*CV Benchmarks for Risk and Uncertainty Analysis*." According to Dr. Flynn: "One of the ultimate expressions of the randomness of a cost estimate is the S-curve, or cumulative probability distribution, employed frequently in both industry and government, often as a standard. Estimating these curves, accurately and consistently in a wide domain of applications, remains the Holy Grail in defense cost analysis. Best-available techniques for conducting risk and uncertainty analysis of cost estimates of defense acquisition programs include sensitivity analysis, Monte Carlo simulation, and Dr. Paul Garvey's enhanced Scenario-Based Method, or eSBM."

June 2011 Luncheon: Cost Estimating Outreach: First Year Experiences of a New Cost Team

The June luncheon was held at MITRE in McLean, VA, and featured Mr. William Taylor of the Department of Homeland Security. He gave a talk entitled "*Outreach: Experiences of a First Year Cost Estimating Team*." According to Mr. Taylor, cost estimating in the Federal government received renewed emphasis with the publication of the GAO Cost Estimating and Assessment Guide in March 2009. Many Federal agencies reacted by issuing top down directives to impose, what is for many, a new discipline on what are often immature cost processes. For those actually having to implement these newly published requirements in environments with long held and often casual cultural norms, the challenges can be formidable. His presentation summarized the experiences and lessons learned of a first year Federal cost estimating team operating within such an environment.



September 2011 Luncheon: The Infrastructure Service Provider (ISP) Cost Model

The September luncheon was also held at TASC, Inc. in Chantilly, VA, and featured Kyle Thomas and Belinda Nethery of TASC. They gave a talk entitled "*The Infrastructure Service Provider (ISP) Cost Model*." Their cost modeling approach allows for the estimation of a complex mix of infrastructure at various locations worldwide, supplied by a number of government and contractor providers. The model is built in a database-like structure, so that all elements of a profile can be tagged in various ways; this enables mapping to different structures, such as contracts, programs, etc. The critical trace to the mission is then accomplished through the user (i.e., people, applications, and data).

More Luncheon Information

Upcoming luncheons between now and December will include:

- Mike Thompson, with a paper entitled "*A Cost/Price Journey Through the World of Winemaking*"
- Marc Greenberg, and a discussion of "*An Elicitation Method to Generate Minimum-Bias Probability Distributions*"
- Kevin Cincotta and Colleen Craig, giving a training presentation on contract pricing

As always, the Washington Area Chapter luncheon series provides a great venue for local speakers and guests. If you have never attended a SCEA luncheon, then I invite you to check it out. Washington Area Chapter members receive monthly invitations in their e-mail in-boxes. If you are not yet a member, or your e-mail address has changed, you can sign up to receive invitations at the chapter website, www.washingtonscea.com, or by contacting your program chair, Tim Anderson, at timothy.p.anderson@aero.org.

Finally, if you would like to give a presentation at an upcoming Washington SCEA luncheon, please contact your program chair. We are always looking for interesting speakers and topics, and this is one of the last "free lunches" available in town!



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We're on the Web!

See us at:

www.washingtonscea.com

Annual Award Nominations

The DC Metro Chapter of the Society of Cost Estimating and Analysis (SCEA) is soliciting nominations for the upcoming DC Metro Chapter Annual Awards. There are five categories for these annual awards — Leadership/ Management, Team Achievement, Technical Achievement, Junior Analyst, and Best Luncheon Speaker — with the following criteria:

Leadership/Management

- Promote & enhance the profession
- Fostering the growth of members
- Integration of estimating & other cost disciplines
- Recognition & certification of achievement
- Promote cost estimating discussion forums
- Promote standards of proficiency and performance
- Fostering, promoting, and conducting research and educational activities
- Interacting with other related organizations
- Establishing standards in the terminology, conduct, and application of cost estimating and analysis

Team Achievement (Consisting of three or more people)

- Demonstrating outstanding accomplishment within the field
- Promoting high impact on organization represented or the organization supported
- Show how the work was key toward influencing the management vision, goals, and objectives
- Demonstrate improvement in decision support services provided

Technical Achievement

- Promoting a Common Body of Knowledge as standard for individual excellence
- Promoting integration and synergy among cost estimating and analysis disciplines
- Developing and maintaining standards of proficiency and performance

Suggestions?

If you have comments, ideas, or would like to contribute an article to the newsletter, please contact the secretary, Kirsten Schulte, at Secretary@Washingtonscea.com.



- Establishing standards in the terminology, conduct and application of cost estimating and analysis
- Conducting cost estimates using innovative approaches
- Improving methods for cost analysis (CERs, models, data bases, new approaches)
- Communicating methods to the wider cost community

Junior Analyst (3 years or less of experience)

- Working toward proficiency in the field through job related activities and education
- Demonstrating an upward trajectory on increasing levels of skill and impact to cost field

Best Luncheon Speaker

This award is based on inputs received from the luncheon attendees over the past year. The criteria include:

- The extent to which the presentation met their expectations
- The skill with which the presenter made his/her case
- The degree to which the presentation was interesting
- The relevance of the presentation in enabling the attendees to do their job
- The attendees' overall impression of the presentation

All nominations must be submitted using the Award Nomination Form (found on the next page and on the DC Metro Chapter website www.washingtonscea.com) along with a write-up (2-page max) for each nomination explaining how the individual/team has exemplified excellence in cost estimating. All nominations are due by **December 15, 2011** to the DC Metro Chapter Secretary (Secretary@washingtonscea.com). The awards will be presented at the next DC Metro Chapter Annual Meeting, to be held this winter.

SOCIETY OF COST ESTIMATING AND ANALYSIS
DC METRO CHAPTER AWARDS PROGRAM
Nomination Form

Nomination Type (check one):

Leadership/Management Team Achievement
 Technical Achievement Junior Analyst

(Note: Best Luncheon Speaker Award is based on luncheon attendee responses. Nominations are not necessary for this category.)

Nominee Information:

Full Name _____

Current Job Title _____

Organization/Company _____

Company Address _____

Phone Numbers Work _____ Home _____

Email Address _____

Nominator Information:

Name _____

Phone Numbers Work _____ Home _____

Email Address _____

PLEASE ATTACH A SUMMARY OF THE NOMINEE'S ACHIEVEMENTS.

Two pages or less. Include items such as job description, professional affiliations and certifications, articles and publications, awards, contributions to SCEA, etc.

PLEASE SUBMIT NOMINATION BY **December 15, 2011** TO THE CHAPTER SECRETARY (Secretary@washingtonscea.com).