



North Texas Chapter Contract Management News

"Mission Success through Contract and Business Management Excellence"

Volume 38, Issue 7

April 2001

Note: the April Special Seminar is in Place of a Regular Monthly Dinner Meeting this Month

April Special Seminar

Topic: Closeout of Government Contracts – A Critical Step

Closing Government contracts can be a complicated and baffling process. The Government regulations are extensive and constantly change. The purpose of this seminar is to help both government and contractor personnel involved in this process achieve an efficient and effective close out process. You should leave this seminar with information that will help you immediately in this process.

Present will be the following representatives from industry, the Defense Contract Management Agency (DCMA) and the Defense Contract Audit Agency (DCAA) who have "hands-on" experience in closing Government contracts.

Industry: Mr. Larry Auffrey, Vice President Sector Contracts, Pricing and Risk Assessment, Northrop Grumman. Prior to his Northrop Grumman employment, Larry was a Division Contract and Pricing Chief and Procuring Contracting Officer at Wright-Patterson AFB, Ohio. Mr. Auffrey will share some "best practices" that his company employs in closing Government contracts. He will also share some things that did not work well.

DCMA: Mr. James Bauer, CPCM, DCMA, Dallas. Mr. Bauer has over 30 years experience in the contract management field having held positions as a Contract Cost/Price Analyst, Administrative Contracting Officer, Comptroller and Director of Contract Management.

Mr. Bauer will present the DCMA perspective on contract closeout including practical techniques that DCMA is using to improve the contract closeout process. He will address Defense Reform Initiative Directive #53 to include DCMA's contract closeout strategy for converting from MOCAS to a new suite of systems related to the Standard Procurement System.

DCAA: Mr. Eric Grant Kline, CPA. Mr. Kline has 13 years experience as a DCAA auditor. Also speaking from DCAA will be Mr. Larry Chanay, CPA. Mr. Chanay has experience working for a Government contractor and has been a DCAA auditor for the past ten years and is currently a Supervisory Auditor. DCAA will address an initiative worked with DFAS to establish a process to reconcile contracts and expedite contract closeout.

Make your reservations soon, as seating is limited. Advance payment is required.

To RSVP for this seminar, refer to the Registration Form on Page 4.

HIGHLIGHTS THIS ISSUE

- | | | | | | |
|---|---------------------------------------|---|--|---|-------------------------------------|
| 1 | April Special Seminar | 3 | Special Seminar Registration | 9 | Blacklisting Update |
| 2 | President's Corner | 5 | NES Registration Information | 9 | March Meeting Recap |

National Website: <http://www.ncmahq.org>

Chapter Website: <http://www.ncma-ntxchap.org>

President's Corner

By: Jim Walters

Leadership skills are important to employees of all organizations. These skills can be acquired and honed when participating in an organization like NCMA. The North Texas Chapter has been fortunate over the years in having excellent leadership. One of the former Chapter presidents was National President of NCMA this



past year – John Kreideweis. Each year we seek out members to take on the challenge of being on the North Texas Chapter Board. John started out as a Board member and progressed to be Chapter President. There are 13 Board members and 8 elected officers who are responsible for planning and executing a plan for the Chapter that benefits the 300 members. This plan is quite diverse and takes many skills. Because over 20 are on the Board, the work is

spread out; therefore, individual Board members carry a reasonable load.

Over the last several years, I have thoroughly enjoyed being on the Board and working with some great people. The Board is made up of a diverse group, i.e., large business, small business, Government, CPA's, consultants, lawyers, etc. It is a great place to build friendships outside your individual workplace, share ideas and grow as a leader.

We are looking for Board members for next year. Please consider volunteering to be a Board member. I think it is a great opportunity for you. Contact Carole Voltmer at voltmer@utdallas.edu if you are interested.



Handshake Award

The handshake award from the March Dinner Meeting went to Jeff Beauford, who will receive a complimentary dinner or lunch at one of our future monthly meetings.



Have you moved or changed jobs recently?

You may now update your contact information directly from the NCMA National Web site at:

<http://www.ncmahq.org/memsvcs/membupd.html>

UPCOMING EVENTS

APRIL SPECIAL SEMINAR

PLACE: Wyndham Garden Hotel, Coit at Emily

DAY: Tuesday, April 17th

TIME: 8:00 AM Breakfast

COST: \$25 for Members and Non-Members

Refer to [Page 1](#) for information on this month's seminar. To register for this seminar, refer to [Page 3](#).

MAY NATIONAL EDUCATIONAL SEMINAR

The Chapter will host the NES on Risk Management at City Place on **May 15th**. Register at [Page 5](#).

JUNE JOINT-CHAPTER MEETING

On **June 12th**, Marshall Doke will be our capstone speaker before a joint meeting at the DFW Harvey Hotel with the Fort Worth Chapter.

Mark Your Calendar for NES 2001

NCMA's 2001 National Education Seminar on May 15th will show you how to anticipate and control the financial, legal, and performance risks that can influence the success of your contracts. Whether you're buying or selling, the risks you face begin from the time you decide on a price and contract type and may compound through performance. Every term and condition of your contract carries some risk—even the decisions on which clauses to include carry risk.

At NES 2001 you'll learn how to identify potential risks, quantitatively analyze their potential impacts, and include the associated costs in your contract plan. Plus, you will find out how to monitor the contract during contract performance to detect if a risk situation occurs and how to mitigate the risk to ensure minimum impact. ❖

Quotable

"Taxation WITH representation ain't so hot either." - Gerald Barzan

National Contract Management Association
North Texas Chapter
SPECIAL SEMINAR



Closeout of Government Contracts – A Critical Step

Closing Government contracts can be a complicated and baffling process. The Government regulations are extensive and have changed over time. The purpose of this seminar is to help those, government and contractor, who are involved in this process. You should leave this seminar with information that will help you immediately in the process of closing contracts. We will have representatives from industry, DCMA and DCAA who have “hands-on” experience in closing Government contracts.

Industry: Larry Auffrey, VP Sector Contracts, Pricing and Risk Assessment, Northrop

Grumman. Prior to his Northrop Grumman employment, Larry was a Division Contract and Pricing Chief and Procuring Contracting Officer at Wright-Patterson AFB, Ohio

DCMA: James Bauer, CPCM, Deputy Commander, Defense Contract Management Command, Dallas. Mr. Bauer has over 30 years experience in the contract management field having held positions as a Contract Cost/Price Analyst, Administrative Contracting Officer, Comptroller and Director of Contract Management.

DCAA: Eric Grant Kline, Auditor, DCAA
Larry K. Chanay, Supervisory Auditor, DCAA
DCAA will talk about an initiative worked with DFAS to establish a process to reconcile contracts and expedite contract closeout.

This four-hour seminar is necessary for anyone involved in Government contract management finance or related areas.

**SPECIAL LOW PRICE! MEMBERS/NONMEMBERS \$25
Including a Full Buffet Breakfast**

April 17, 2001

8:00 AM

Wyndham Garden Hotel-Dallas Park Central

8501 LBJ Freeway, Dallas Texas

Coit and LBJ

North Texas Chapter: <http://www.ncma-ntxchap.org/>

National Contract Management Association
North Texas Chapter
SPECIAL SEMINAR
Closeout of Government Contracts – A Critical Step

Registration Form

SPECIAL LOW PRICE! MEMBERS/NONMEMBERS \$25

REGISTRATION FORM

Name _____ Title _____

Company Name _____ Address _____

Work Phone () _____ Fax () _____

e-mail _____

MAIL FORM WITH PAYMENT TO:

(Please Pay in Advance)

Mr. John Loving, Loving and Jones, 211 S. Stemmons, Suite G, Lewisville, TX 75067

jtloving@lovingandjones.com

QUESTIONS? CALL: John Loving, Treasurer, at (972) 221-2069 or
Sujata Wadhvani, VP Education, at (972) 480-5556

North Texas Chapter: <http://www.ncma-ntxchap.org/>

NES 2001 RISK MANAGEMENT SEMINAR

ARE YOU READY TO HANDLE ANYTHING?

The North Texas and Texoma Chapters are offering the National Education Seminar (NES) 2001 Risk Management Seminar to help you be prepared for the coming business revolutions.

The NES 2001 Risk Management Seminar will show you how to anticipate and control the financial, legal and performance risks that can impact your contracts and business.

Hear Donna Ireton, a risk management expert, discuss the critical areas of risk in today's business environment. She will teach you specific techniques for analyzing decisions and managing the associated risks. You will learn and be adept in the following survival skills:

1. Quantitatively analyze potential risks
2. Compute costs of risk decision plans
3. Monitor contract to identify and detect risk situations
4. Mitigate the contract risk to minimize its impact
5. Real life survival situations
6. Be able to site the internal and external risks and have a strategy of action for protection

After this course you will not be voted off the island. You will be a survivor.

Location

CityPlace

2711 North Haskell Avenue
(Hwy 75 and Haskell at the Haskell exit)
Dallas, TX 75204-2910

Date

May 15, 2001
8:00 AM to 4:00 PM

NES 2001

RISK MANAGEMENT SEMINAR

Watch *Contract Management* magazine, the NCMA Web site at www.ncmahq.org, www.ncma-ntxchap.org and your mailbox for additional details! Attendees at this seminar qualify for .7 CEUs, 7 CPCM/CACM recertification hours, or 7 Continuous Learning Points (CLPs)

REGISTRATION INFORMATION

Name: _____

CPCM CACM SAS

Title: _____

Organization: _____

Business address: _____

City: _____ State: _____

ZIP: _____

Daytime phone: _____

Fax: _____

E-mail: _____

REGISTRATION FEE (Payable to NCMA)

Member - \$145 Nonmember - \$195

Discounted new membership with registration - \$217

Membership renewal with registration - \$217

NCMA member number: _____ (required for member price)

NEW MEMBERS

Home Address: _____

City: _____

State: _____ Zip: _____

Preferred mailing address: home business

Sponsor name: _____

Sponsor chapter: _____

New member chapter preference: _____

PAYMENT INFORMATION

A check (payable to NCMA) for the full amount of \$_____ is enclosed.

Charge to Visa MC AmEx Smart Card

Account number _____

Expiration date _____

Authorized signature _____

NES 2001
RISK MANAGEMENT SEMINAR

Please mail or fax this form and the payment information from the preceding page as follows:

Registrar: **Neda Hansen, Texoma Chapter**
 #2 Greenhollow, Witchita Falls, TX 76308
 940/851-6444
 940/851-6601 (fax)
 jcinh@aol.com (e-mail)

Additional Information: **Carole Voltmer, North Texas Chapter**
 972/883-2309
 voltmer@utdallas.edu

To aid in tailoring the seminar to each audience, please provide the following information:

Government
 Industry
 Other: _____

Years of contracting experience: _____

Level of expertise: Basic Intermediate Advanced
 Other: _____

My question for the speaker:

Special accommodations needed to participate:

Officers & Chairpersons

Ron Blocker, National Director

Raytheon Company

972-205-7560 Ron_O_Blocker@Raytheon.com

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CH2M HILL

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Robert Allen, CACM, Workshops Chair

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Carolyn Kerr, Employment Chair

Raytheon

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Kristina Staley, Social/Hospitality Chair

CH2M HILL

972-980-2188 x294 kstaley@ch2m.com

Jon Goodwin – E-mail Administrator

Litton Electro Optical Systems

972-840-7626 jgoodwin@litton-eos.com

Membership Corner

NTC Membership Statistics

February was a challenging month for membership renewal. There were thirty-six (36) members who have received their renewal notice. Please renew your membership as soon as possible. For March, there are nine (9) members up for renewal.

February membership is at 306 (was 308 in January). Eleven (11) members renewed their membership; thanks to all for your continued support. Four (4) members are on the delinquent list. There are thirty-one (31) members who have had their membership lapse. NCMA is attempting to notify these members to request they continue their support of NCMA. If you are one these members, we sincerely request your continued support to the North Texas Chapter and to NCMA. National membership is 21,391 (was 21,298).

Welcome New Members!

The following members joined the Chapter in February:

- **Jodina Simmons** - Raytheon Electronic Systems
- **Jerrold Snipes** - BF Goodrich Landing Gear Div

Membership Milestones

The following members marked pin anniversary milestones in March. Congratulations!

25 YEARS

Marshall Doke (Fellow)

20 YEARS

Lynda Hutton; Ralph Hawkins; James Pankovics (Fellow)

15 YEARS

John Sineath; Carmen Thayer

10 YEARS

Isacc Bailey; James Bidwell; Georgia Brown; Patricia Cohen; Terry Cook; Linda French; Linda Little; Mike Lindberg; John Lodowski

5 YEARS

Marie Bentley; David Haley; Christy Skirchak

Not a Member? - - Join Now!

It's easy – just click on the link below, have your credit card ready, and you'll be a member in no time!

<https://vaweb01.secure.capu.net/ncmahq/membappl.html>

Officers & Chairpersons (Continued)

Paul Searles, Scholarships Chair

Haynes & Boone

214-651-5197 searlesp@haynesboone.com

Brad Malone, Small Business Chair

214-522-1456

rbmalone@ix.netcom.com

Tim Matheny, Fast Response Chair

Ford White & Salazar

214-523-5153 tdmatheny@fordwhite.com

Melanie Franz, Volunteer Coordinator

Lucent Technologies

972-237-9790 mfranz@lucent.com

Michael Doyle, Webmaster

Ernst & Young LLP

972-724-1650 micheal.doyle2@ey.com

Update on "Blacklisting" Regulation

On April 3, 2001, the Federal Acquisition Regulation Council (FAR Council) published an interim rule imposing a 270-day suspension on the "blacklisting" regulation, which requires government contractors to meet strict ethical standards. The FAR Council also published a proposed rule to seek comment on whether or not changes should be made to the regulations.

For background, the FAR Council published in the Federal Register on December 20, 2000, (Federal Acquisition Circular 97-21), a final rule effective January 19, 2001, addressing contractor responsibility and costs incurred in legal and other proceedings. The regulation went into effect one day before President Clinton left office. Since then, the Bush administration has reviewed this and other midnight-hour regulations.

After further review, the FAR Council has stayed the rule for 270 days from April 3, 2001, or until finalization of the second, proposed rule entitled "Contractor Responsibility, Labor Relations Cost, and Costs Relating to Legal and Other Proceedings", whichever is sooner. The FAR Council is requesting comments in this FAR interim rule on the length of the stay. During the stay, the FAR text is restored to the text as it existed before January 19, 2001.

Both sides of the issue have vigorously pursued their positions. In March, the Civilian Agency Acquisition Council issued a memo allowing agencies to delay the regulation's implementation for six months, until July 19. That move prompted a letter to Office of Management and Budget Director Mitch Daniels from Senators Kennedy, Lieberman and Durbin. In their letter to OMB, the Senators

wrote "We are particularly troubled by a coordinated effort by several departments and agencies to exempt themselves for six months from their contractor responsibility obligations without the thoughtful consideration required by law."

Industry has argued the regulation would result in the establishment of "blacklists" of companies banned from government contracts, even if issues concerning labor, environmental and other issues had been resolved. ❖

March Meeting Recap

By: Sujata Wadhvani

The Evening's Entertainment...

The topic of the March Chapter Meeting was "*Build a Better You*" presented by Bryan Dodge, President of Dodge Development, Inc. He did a remarkable job of motivating everyone present with his philosophy in life known as "EAT". Now, before you come to the wrong conclusion, EAT is acronym that stands for the following:

1. **Eager to learn**: Most would agree, as we mature, the inquisitive process of learning diminishes and other processes or techniques for learning become more dominant. However, an effective method of learning at a younger age is through asking questions. For adults, this can feel threatening as asking questions may reveal a weakness. We should not abandon this valuable tool, however. As much as possible, we should be eager to learn new things; be a sponge and soak in new information.
2. **Argue**: Use the tool of constructive argument to explore and learn. The use of argument can be a powerful tool to help you understand the how and why of something. So, the art of arguing (as opposed

CONTINUED ON PAGE 10

the to weekend warrior variety) keeps ones inquisitive process churning.

3. **Thankful:** Be thankful for the opportunities, experiences and people we meet, as we learn from all situations.

In a nutshell, he professed that to be successful, one must do the following three things:

1. **Be a Reader!** So how does this learning happen concretely: He emphasized that learning happens with reading! So make time to read books, which generates new ideas. If you go to his site at www.results.com you will find a list of books under various categories. His ultimate favorite is “*The Richest Man in Babylon*” and “*Who Stole my Cheese?*” He posed to those present this challenge: If you are not reading, you are not learning.
2. **Continuing Education:** Continue learning by **taking classes!** For example: Doctors go for continuing education all their life. Why should it be any different for contracts professionals?
3. **Saving:** See how your saving each dollar can work

for you! It is not important how much you earn, but how much you save.

Bryan then worked on memory joggers with his concept of FIG, another acronym meaning **FIX**, **IMAGE**, and **GLUE**. This is a technique to memorize by association, for which his company offers training. Bryan made each and every second of his presentation count. He gave anecdotes; examples, jokes and quotations, by the end of the evening we had experienced a total mental workout.

As a result of this meeting, last week I went to the library and checked out “*The Richest Man in Babylon*” and enrolled in a class. There goes my savings, which takes another form of investment. Remember to “Major in the Majors and Don’t Major in the Minors.”

Farewell and Best Wishes to a Friend...

As the evening ended, we bade farewell to Mr. Ken Kagiya from Raytheon, Inc, who is retiring and moving away to Georgia. Ken has been a steadfast supporter of NCMA over the years earning many distinguished awards. He will truly be missed by many in the organization. ❖

NATIONAL CONTRACT MANAGEMENT ASSOCIATION
4211 PRIMROSE DRIVE
MCKINNEY TX 75070

ADDRESS CORRECTION REQUESTED

