NDIA PMSC Meeting Minutes
Industry Meeting – August 14, 2012

1. Tracie Thompson, PMSC Chair, called the meeting to order, welcomed all the attendees and reviewed the day's agenda.

2. Bill Altman from Battelle and NDIA PMSC Board member provided the logistics information for the meeting. Bill introduced Mr. Steve Kelly, President, National Security Global Business.

3. Mr. Kelly provided the official Battelle welcome to the attendees and provided an overview of the Columbus, Ohio area and Battelle. $6.5B in annual revenue and over 20,000 employees. $2.5-$3.0B in defense work. Several hundred locations around the world.

4. Introductions of all the attendees were made.

5. Joe Kusick recognized Christopher Nicholson who passed away in July. Chris had a distinguished career with Northrop Grumman and Raytheon was known by many within the PMSC.

6. Note: Additional information on the notes below can be found in the charts for the various briefings which will be posted on the NDIA PMSC website.

7. Tracie provided the "PMSC Update" briefing. The update reviewed the committee's objectives, reviewed the various working groups within the PMSC, and discussed the current EVMS environment. New items like the IPMR DID, the ongoing collaborations meetings with DCMA and some of the new contractual items like stop work issues (Gary Humphreys and Joe Kusick discussed) and the CAS/Pension harmonization (David Ricci discussed) were also highlighted.

8. A break was conducted.

9. Kim Herrington, PMSC Vice-Chair, provided an update on DCMA developing specific production contract related questions that have been and will be used in compliance/validation reviews. Kim encouraged the attendees to participate in the Production EVM working group as a way to stay up to date on these issues.

10. Pete Wynne, PMSC Board member, provided an update on the Industrial Committee for Program Management (ICPM). This is an industry and government forum (invite only). Pete and Neil Albert are the PMSC representatives on the committee. Meetings started in Nov, 2007 and have continued every 2-3 months. Recent meetings have discussed talent

development (program managers on the government side has frequent turnover) and affordability/efficiency initiatives.

11. Kathryn Flanigan, PMSC Clearinghouse working group co-chair, provided an update on the activities of the WG. Since not all PMSC attendees are aware of the WG, Kathryn provided an overview of how the group operates and provided instructions on how to submit a topic for discussion. Kathryn noted a current topic to be discussed at today's WG meeting – how quickly does a company have to distribute UB? (60 days, reasonable time frame, what the SD calls for, etc.). Also to be discussed is how long do certain EV artifacts be archived for audit purposes.

12. Dan Butler, PMSC board member, provided a status on the ANSI update effort. Will be published as ANSI 748-C. Currently, the document has been updated and it is in the "balloting process". It is anticipated that one protest will be filed and therefore the publish date is TBD. The foundational content is unchanged. Majority of the changes are clarifications, corrections, addition of graphics, and strengthening connection with overall program management.

13. Joan Ugljesa, PMSC board member, provided an update to the PMSC Guides working group. WG maintains the 5 guides owned by the PMSC. Working to achieve greater consistency in content, terminology, format and style among all the guides. All guides will be on a 3 year mandatory review/update cycle. WG is looking for a lead on the IBR guide. The Intent Guide will need to be updated due to the ANSI refresh, the WG is also looking for a lead for this guide. Joan also provided information relative to the XML working group and the data exchange instructions for the various IPMR formats (1-4, 6, and 7).

14. Bill Altman identified the planned attendance for the afternoon working groups to facilitate which conference rooms would be utilized for each group. Bill also provided information on lunch plans.

15. Meeting was 10 minutes ahead of schedule. Tracie held an impromptu discussion on whether the group would be willing to share technology ideas in a PMSC environment (DCMA has highlighted that industry should do more with technology). Comments noted that certain tools/systems are viewed as proprietary and thus this forum is not conducive to sharing. Other comments noted that industry (individual companies) are and have developed tools but we always want to make sure that we are looking at the things that DCMA is looking at.

16. Lunch break

17. Gary Humphreys, PMSC Board member, facilitated a panel discussion on OTB/OTS issues. The panel consisted of Neil Albert, Kim Herrington, and Sung Soon Stultz.   The discussion included "controversies" over a briefing made during the May 2012 EVM

conference where a research presentation concluded that since CPIs do not improve post OTB, OTBs should not be allowed. The panel discussed several responses at the time of the May conference, including that the purpose of EVM is to facilitate the management against a baseline plan and not necessarily achieve a specific CPI target. It was also noted that in order to have management value the budget plan must have some level of reasonableness and that OTBs are used to reset to a plan that can be achieved.

The panel discussed "partial" OTBs – using OTBs for specific reasons and potentially limited areas. It was also noted that OTBs/OTSs have a negative stigma – but that should be separated from the management value of EVMS discussion. The audience was invited to discuss other OTB related issues and to prepare for a second panel with the government tomorrow.

18. A break was taken

19. Buck Wilkerson from Humphreys and Associates facilitated a scheduling discussion panel. Panelists included Joshua Anderson, Yancy Qualls, James Rianda, and PJ Pietrandrea. The panel first addressed the issues related to schedule margin and schedule visibility tasks. It was noted that the IPMR DID worded these items broadly enough for industry to use them effectively. However in the IPMR implementation guide, wording is included that greatly restricts the use of schedule margin. The margin debate centers on tying the margin to a discrete task and therefore impacting the float value calculations. Industry's primary contention is that program management may have (and does have) a need to distribute the margin across various activities.

Other panel topics discussed were: critical path and near critical path activities – it was noted that certain tools are better than others in doing this; utilization of an IMS in production/LRIP and relation to MRP – especially the challenges associated with Low Rate when changes are still occurring; development and maintenance of an IMS in a highly dynamic environment (ie., software, flight test, etc.) and whether an IMS can be used successfully in an agile environment; resource loaded schedules; benefits/changes to Format 6 in the new IPMR DID as well as concerns; and use/usefulness of new metrics (Current Execution Index, Volatility Index, Total Float Consumption Index, etc.).

20. The various PMSC working groups met to discuss their issues and efforts. The various groups briefly reported out to the committee what they discussed.

21. Tracie concluded the day by summarizing the discussions and adjourned the industry day meeting. Network/social event followed.