



THE GALAXY

**NATIONAL CONTRACT MANAGEMENT ASSOCIATION (NCMA)
/SPACE CITY CHAPTER NEWSLETTER—Oct/Nov 2006**

FALL Conference: Emerging Trends in Government Contracting

What a great conference!

If you missed this year's fall conference, you missed an outstanding learning opportunity. We give a great deal of thanks to conference chairpersons Rick Husty and Herb Baker and to all those who volunteers their time and efforts to make the conference a huge success.

The Space City-Houston's Fall Conference, Emerging Trends in Government Procurement, consisted of an outstanding panel of speakers. This year's conference kicked off Wednesday night with a banquet featuring Mr. Mike Coats, JSC Center Director, presenting a very informative overview of the Johnson Space Center, its vision, goals and core competencies, and a look into its future. The Thursday conference featured Andy Hines, lecturer and futurist at the University of Houston; William (Bill) McNally, NASA's Special Advisor Exploration Systems Mission Directorate (ESMD); Brad Cartwright, Director, Contracts and Estimating, Lockheed Martin Space Systems Company; Tim Malishenko, Corporate Vice President Contracts & Pricing Boeing Corporation; Neal Couture, Executive Director NCMA; and William Weisberg, Attorney, Sullivan & Worchester.

The conference program kicked off with Mr. Hines perspective on emerging global trends. Mr. Hines focused on technology trends and then merged into a discussion of economic, political and value trends affecting the landscape. While Mr. Hines admitted that short term trends are hard to judge, Futurists have had good success with their predictions about longer term trends. Among others, Mr. Hines offered increased regulatory structures as an example of a longer term governance trend. To meet the challenge of future trends, Mr. Hines offered the following advice to procurement professionals and knowledge-based workers in general: Develop a strategy to adapt to, and keep up with, the world's growing technological capabilities and knowledge-base. Over time, he suggested, keeping up may require one to narrow and deepen one's knowledge-base.

Mr. McNally followed the academic discussion with the NASA acquisition strategy for space exploration. This roadmap of the acquisition strategy included an overview of the Commercial Orbital Transportation Systems Program providing great insight into the business case NASA applied. Mr. McNally continued with discussion of the Crew Exploration Vehicle (CEV) and Crew Lift Vehicle (CLV). In conclusion, the following ESMD acquisition tenets were discussed:

- Maximize Competition
- Utilize current, proven technology
- Develop Integrated Acquisition Strategies
- Apply a zero-based approach in developing Requirements
- Streamline program that does not compromise safety and successful completion
- Create Reward Performance Incentives
- Merge NASA's and Industry's Core Expertise

Both Mr. Cartwright and Mr. Malishenko discussed industry issues with current trends in government procurement. Mr. Cartwright covered issues that impact industry willingness to participate; e.g., under developmental contracts, what constitutes a reasonable level of profit and division of risk (fixed-price v. cost contract types). Other topics included indemnification for unusually hazardous risk and incentives to motivate the contractor community. Mr. Malishenko discussed Government methods for enforcement in area of procurement fraud—namely, civil v. criminal penalties—and suggested that, when the unauthorized malfeasance of an employee results in a violation, criminal enforcement upon the individual may be more effective that civil enforcement upon the corporation.

Mr. Malishenko also mentioned a recent General Accountability Office (GAO) report that was critical of a Government trend to assess relatively high award fee scores under contracts with relatively poor performance outcomes. Mr. Malishenko's concern was for the tenor of the report, which tended to press for award fees based on objective outcomes v. more subjective best efforts. This is an area wherein industry and Government should work together to develop fee structures that both appropriately motivate contractor participation and excellent performance, and equitably divide performance risk.



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The afternoon session included an overview of the procurement landscape by Mr. Couture. Mr. Couture described driving forces facing the contract management today are the acquisition workforce, working conditions, acquisition rules, the supply base, and the acquisition of goods and services.

Mr. Weisberg followed by providing the history of Organizational Conflict of Interest and some of the challenges and solutions that has occurred in contract management. While the OCI issues will not go away, a proactive approach to the problem at both the prime and subcontractor level will pay dividends in the future.

The afternoon concluded with a panel discussion hosted by Ann Halligan, Boeing; panel participants Mr. Herb Baker, NASA; Mr. William Weisberg, Sullivan & Worchester LLP; and Mr. Neal Couture, NCMA.

To view presentation charts, please visit the Chapter's [Education](#) webpage.

MEMBERSHIP NEWS

VP Membership
Karen Irving

Keep Your Membership Information Up to Date – Here's How!

Go online to www.ncmahq.org; then, click through "Membership / update contact information." [This can be done from our Chapter website by clicking the Update Membership Content link at the Membership webpage]

Once there, you will be prompted to log in. Enter your six-digit member ID as the user name and password (Note: If this is your first time, leave the password field blank and the system will prompt you to set a password).

Now, you are ready to review and update your personal information, participation and transaction records with the NCMA headquarters office.

Keeping this information current will ensure you receive timely and informative notices from NCMA concerning our profession and upcoming events.

If you have any questions, please contact Karen Irving, Membership, NCMA - Space City Chapter, at 281-226-4824.

Helpful Hint for Renewing Members

If you are a renewing member, or know someone who is just joining the Chapter, please note: Online registration is available at www.ncmahq.org (click "membership\join NCMA"). Upon first joining via online registration, the online registration software will automatically assign you to the NCMA Chapter nearest your geographic area. If you wish your affiliation to be with a different Chapter, please follow-up your registration with a call and or e-mail to National stating that you have registered and you want to join the Space City Chapter (or other Chapter depending on your current location); 800-334-8096 or choi@ncmahq.org.

NCMA Membership & the Fall Conference

We just completed another successful membership drive and NCMA Fall Conference. Please return to this section in the Dec/Jan edition of the Galaxy, where we will list the names of new members together with the significant anniversaries of existing members.

UPCOMING EVENTS

VP Programs
Jay Parker

Upcoming Luncheons

Please join us at the November 9 luncheon to learn more about the Space Act Agreement and how NASA used its provisions to engage [SpacEx](#) and [Rocketplane Kistler](#) in Commercial Space Transportation Services.

In early December, come help us kick off the yule tide season with a party luncheon. You'll receive more information on this exciting event in an upcoming flyer.

Federal Contracting Basics Audio-seminars

During this program year, Space City Houston is sponsoring a series of monthly audio-seminars on the Federal Contracting Basics. The chapter



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will cover seminar costs and United Space Alliance has graciously agreed to host the sessions. Please visit the www.ncmaspacecity.org website to learn more, and to join us in this great learning adventure.

CALENDAR OF EVENTS

Nov 09	Luncheon – Space Act Agreements and COTS
Dec	Happy Holidays
Jan 18	Luncheon – New WOSB Certification Requirement
Feb 22	Luncheon – Project Orion
Mar 22	Small Business Conference

EMPLOYMENT OPPORTUNITIES

Please refer to the website for current employment opportunities: ncmaspacecity.org

If you would like to post an employment opportunity please contact Mr. Jay Parker at: jay.parker@houston.rr.com

Articles of Interest

Small Business Highlights

What do Small Business Liaison Officers (SBLOs) and subcontracting officers look for in their small business suppliers? If you said knowledge of the FAR, or ISO registration, or participation in NASA programs such as Mentor Protégé, or any other technical qualifications, you'd be right, but that isn't the whole story. In a recent informal survey designed to

uncover the top ten best traits a small business vendor needs to be successful with the primes, the same words kept appearing: responsive, reasonable, knowledgeable, solid, dependable, cooperative, accountable, responsible.

In other words, the primes, just like buyers in any company, are looking for small businesses that understand and model good business practices. That starts with providing a quality product or service at a reasonable price, delivered on time. But there are additional steps a small business can take to give them a leg up.

Here are some of the specific suggestions the survey respondents had for their small business vendors who wanted to be among the best:

- To begin, take care of the basic prep work. Register in the Central Contractor Registration database at www.ccr.gov. If eligible, participate in small business initiatives and certification programs, such as the Small Disadvantaged Business or HUBZone programs.
- Complete bids and proposals in strict accordance with the instructions and pay attention to closing deadlines.
- Keep in frequent communication with the buyer. Small businesses that email or call back the same day win points. Inform the buyer of any changes that occur within your company.
- Provide the exact product or service as outlined in the specifications. Keep organized records so that expeditors can quickly and easily check on orders.
- When it is time to deliver materials, follow the exact instructions for packing, shipping and invoicing and make sure all documentation is correct and accurate. If delivery will be delayed, provide advance notification whenever possible and have a strong justification for why you will be delinquent.
- Run a solid operation and maintain a secure financial position. Implement document, process and quality control systems for traceability, repeatability and consistency.
- Be e-commerce savvy: more and more bids, contracts, invoices and payments are processed electronically.



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SBLOs and buyers who want to help their small business vendors improve their business know-how can send them to their local Procurement Technical Assistance Center (PTAC) for no-cost assistance. Administered through cooperative agreements with DLA, PTACs around the country support government agencies and their prime contractors in finding and working with the suppliers they need. In the NASA JSC area, the PTAC is hosted by the University of Houston and can be accessed online at www.sbdc.uh/ptac/. There is also a satellite office at United Space Alliance most every Thursday, call the UH PTAC @ 713.752.8477 for assistance.

Contributing authors are welcome to submit articles for our Small Business Highlights by contacting Carey White at cwhite@uh.edu.

[Houston Minority Business Council](#) (HMBC) – EXPO 2006: We Mean Business!

On Thursday, October 12, 2006, the NCMA Space City Chapter utilized the Houston Minority Business Council's EXPO as an opportunity to make attendees aware of the exceptional resources provided through membership in NCMA. The booth was maintained by Melisa Reyna, Procurement Representative at United Space Alliance (USA) and coordinator of the Audio Seminars for the chapter, and Penny White, Director of Supply Chain Systems and Processes at USA and Vice President- Education for the chapter. Additional chapter members supporting the EXPO booth were Jay Parker (The Boeing Company) and Gari Ann Baker (USA).

The HMBC's EXPO is Texas' largest minority business opportunity marketplace. Minority Business Enterprises (MBEs) are invited to discover contracting opportunities available with major corporations, government agencies, and financial and educational institutions. For years, corporations have utilized EXPO to enhance their supplier and contractor bases. MBEs view EXPO as an effective, cost efficient way to access key corporate and institutional purchasing personnel, all in one day and under one roof.

This was a great opportunity for NCMA to recruit purchasing personnel to become members in the midst of our Membership drive. In addition, our

team was able to promote NCMA's Vision to lead and represent the contract management profession and improve buyer-seller relationships, based on a set of common values, practices, and professional standards. Through forums such as the HMBC EXPO, the NCMA Space City Chapter is reaching out to recruit new members amongst an active and engaged body of Houston contract management professionals.

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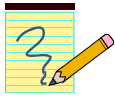
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