



# Looking inside new **cost** and pricing workforce

Matthew Sablan | Staff Writer

*Jarrell Costen, Defense Contract Management Agency Hartford associate, reviews pricing and contract information at his desk in Hartford. (Photo by Mars Healey, DCMA Hartford)*

## The Defense Contract Management Agency Cost and Pricing Center is shaking up its efforts to unearth

fresh accounting techniques, skills and expertise. DCMA has aggressively recruited new employees from the private sector, many of whom joined the agency more than one year ago. These analysts bring unique perspectives that will empower the agency and provide a solid foundation to meet future challenges.

### Who they are

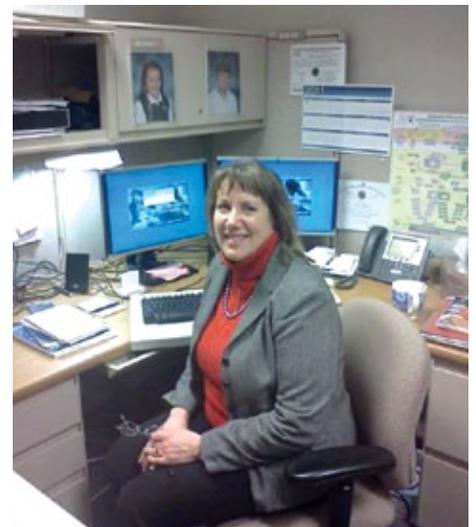
DCMA cost and pricing personnel touch nearly every product and service DCMA provides to warfighters. These analysts come from a variety of backgrounds in the public and private sectors and even a small sampling demonstrates their varied backgrounds.

Their past experiences include a broad range from private industries. J. Kevin Hunt, DCMA Boeing-Philadelphia cost/price analyst, previously worked in commercial banking, credit and debit cards, and financial service companies. Holly Mills, DCMA Philadelphia analyst,

ran her own business prior to joining DCMA and is a Certified Management Accountant. Vincent Perez, DCMA Headquarters cost/price analyst, who worked as a revenue collection officer in Minnesota, said, “My background experience face-to-face with taxpayers and businesses gives me a depth of understanding of the challenges they face.”

William Bullock, DCMA contract cost/price analyst, who reports to the Greensboro, N.C., contract management office, said he was “delighted to be back with the Department of Defense as a DCMA cost/price analyst.” Before returning to DoD, Bullock worked as a civilian in procurement with the Air Force and in the private sector. Other analysts also come from federal organizations, such as Mills, who used to work for the U.S. Department of Agriculture.

The Cost and Pricing team’s knowledge of what warfighters need augments their civilian experience. Robert Panaroni, DCMA Hartford cost/price analyst, served three years in the Marine Corps, 13 months of which were in Vietnam. “I



*Laura Crowley, Defense Contract Management Agency Boeing-Seattle cost/price analyst, poses at her desk. Crowley served in the Air Force and cited the Sept. 11 attacks as a motivating factor in returning to working for the government. (Photo courtesy of Laura Crowley)*

know firsthand how important it is to have quality supplies and services delivered to you when you need them. Keeping that in mind allows me to place things in perspective,” Panaroni said.

**“In our position as pricers, we are at the forefront of protecting the taxpayers’ dollars and ensuring that warfighters get the most bang for the buck. Everything centers on proposals and the contracts that the Defense Contract Management Agency administers.”**

— Damon McCoy, DCMA St. Louis contract cost/price analyst

Laura Crowley, DCMA Boeing–Seattle cost/price analyst, served in the U.S. Air Force in the Defense Intelligence Agency and North American Aerospace Defense Command. Damon McCoy, DCMA St. Louis contract cost/price analyst, served five years in the Army in Military Intelligence as a Russian voice interpreter. They share their perspectives with the agency’s current uniformed members and others who served.

Many analysts already have a thorough background in contracting, either from the government end, like Bullock, or from the civilian end. Noelle Phommavong, DCMA cost monitor, had previous experience with SAIC and Northrop Grumman. Tom Maher, DCMA Hartford price analyst/cost monitor, spent 25 years at Sikorsky Aircraft. “While I was old enough to retire, I felt I was too young to stop working. I happened to come across a job posting as a cost/price analyst with DCMA, and I was fortunate enough to be chosen,” he said.

Shani Mack, DCMA Baltimore cost monitor, said, “As part of the group of cost monitors/price analysts who were hired as journeymen, many of us have similar types of private sector experience such as finance, information technology/information security and project management. Given our mandate for efficiency and cost control, this group is uniquely positioned to bring an outside perspective, as well as industry and technical expertise to DCMA’s cost recovery efforts.” Mack is a certified Project

Management Professional and has worked at DCMA for more than a year; she brings experience from the other side of the equation from her work as a contractor in a global IT corporation.

“The Cost and Pricing Center was set up quickly with a depth of knowledge and experience,” Perez noted. This knowledge and experience helps keep the analysts focused and equipped with the tools to accomplish the agency’s mission, support the nation’s warfighters and steward the taxpayers’ money.

### Mission focused

The analysts use their experience at DCMA offices around the globe to pursue the agency’s mission of providing the best services and products to warfighters at a fair and reasonable cost. When asked about their reasons for joining the agency, DCMA’s mission surfaces as a constant theme.

“Being in government is different than industry because you are serving your country. After Sept. 11, I wanted to go back to work in the Defense Department,” Crowley said. DCMA gives her and many others that same chance.

For Mack, the dedication that government civilians demonstrated in their work brought her to DCMA. “As a contractor, our customer base included DoD Morale, Welfare and Recreation. I saw how the folks we worked with served the warfighters and their families. Their dedication inspired me,” she said.

Joining the agency was a novel experience for some, like Hunt, who acknowledged he gained new insights. “Working with DoD gave me great appreciation for what our warfighters do for us every day, and I was more than pleased to come to work for DCMA in a role supporting them,” he said.

### An average day

Through their day-to-day tasks, the cost and pricing team helps DoD achieve savings as their work takes them to the contractors, agencies and buying commands where they touch any number of products and procedures. “Our team of DCMA pricers is responsible for analyzing a large portion of the cost pie,” Mills explained.

Perez expanded, saying, “We answer, ‘How is the contract doing?’ after it has started.” They accomplish this by establishing forward pricing rate agreements and forward pricing rate recommendations: analyzing contractor data, should-cost reviews and indirect costs; and performing other necessary tasks to provide the agency’s negotiators the information they require to achieve the fairest and most reasonable prices for the government.

“When I try to explain to friends what it is we actually do, it is almost like seeing the light bulb go off in that they had no idea just how complex defense contracting can be,” Bullock said.



In Huntsville, Ala., while attending a training session at the Defense Acquisition University, new Defense Contract Management Agency cost/price analysts from throughout the agency gathered for a picture. Bottom row, from left: Vincent Perez, DCMA cost/price analyst; Sean Burke, DCMA Dallas; Anne Hyde, DCMA Huntsville; top row, from left: Richard Foster, DCMA Orlando; Gray Vermette, DCMA Aircraft Propulsion Operations – Pratt and Whitney East Hartford. (Photo courtesy of Vincent Perez)

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— J. Kevin Hunt, DCMA Boeing-Philadelphia cost/price analyst

“Being a financial guy, I really had no idea coming in what goes into a program the size of Boeing’s roto-craft enterprise,” Hunt said, echoing Bullock’s statement. “We recommend considerable savings to the buying commands that negotiate contracts.”

Maher went into more detail, saying, “I look at our position, and it has three aspects that help complete the agency’s mission. First, we deliver much-needed supplies and equipment to the servicemen and women stationed around the world. Second, we recommend a price objective that protects the government’s interest. Third, our price objective recommendations are also fair to the contractor.”

“For the last eight months, my tasking and priorities change almost daily, and that’s the best part about my position,” Phommavong said. “The challenges never end. ... DCMA’s cost and pricing efforts provide crucial contributions in terms of

validating the allowability, fairness and reasonableness of the costs claimed.”

DCMA cannot accomplish all of its work alone, and cost and pricing analysts bridge the gaps between the agency’s customers and partners. “I work with the Defense Contract Audit Agency to retrieve historical and real-time data on the contractor to complete the analysis,” McCoy said.

Mack’s work with DCAA also shows the working relationship between the agencies. “My corporate administrative contracting officer and I meet with DCAA regularly and are making inroads into the existing backlog. We utilize technology wherever possible to maximize efficiencies. We are currently working on forward pricing for 2011–2013, as well as historic analysis of our contractor’s submissions,” she said.

The agency supports large and small contracts. “The Philadelphia CMO has a lot of small- to mid-size contractors,” Mills said. “Our team helps lots of small contractors understand what they need to do to help themselves prosper and help our customers get the products they need at a value beneficial to the taxpayer. A ‘win-win-win’ situation.”

“In our position as pricers, we are at the forefront of protecting the taxpayers’ dollars and ensuring that warfighters get the most bang for the buck,” McCoy said. “Everything centers on proposals and the contracts that DCMA administers.”

### **Building institutional knowledge**

Agency resources, such as mentors and the DCMA Learning Center, helped prepare the new employees. Other resources include Defense Acquisition University, rotational assignments and each other. “I really appreciated the people at the DCMA Learning Center; Noreen

Cassaro was wonderful and gave us a great introduction to the agency. The caliber of the new employees is very high,” Crowley said. “All of the wonderful people at DCMA are really outstanding.”

“Once back from training, it was like hitting the ground running rather than transitioning,” Panaroni said.

Bullock was one of the many analysts to praise DCMA’s mentors. “Diana Rivera (Bullock’s CACO) has been a fantastic teacher and mentor! Having a great mentor is very important to one’s success when starting out working on complex contracting issues.”

Phommavong also recounted her experience with DCMA mentors. “My CACO, Mr. Keith Palmer, and a former supervisor, Ms. Penny Vermie, were wonderful. They both ensured that my transition to my new home was pleasant and enjoyable. ... DCMA found training to be crucial to our job to achieve and fulfill our obligations to the DoD acquisition community.”

McCoy wrote his first pricing report for the Defense Supply Center Columbus under the guidance of his mentor Dave Marcanik, DCMA divisional ACO, which yielded the first award for a section 852 employee. The cost and pricing analysts also return the favor, with several, like Crowley, mentoring Keystones. At DCMA Baltimore, the cost and pricing team has taken additional steps to build institutional knowledge.

“Late last year, we formed a cost and price round table for knowledge and resource sharing, as well as to address issues, concerns and lessons learned,” Mack said. “Additionally, our DCMA Learning Center class has plans to share pricing cases via Web conference.”

“Over the years, many of the basic aspects of cost and price analysis were lost at DCMA. Those same basic aspects of cost and price analysis that were lost are now being resurrected,” Panaroni said. Now, with a dedicated base of cost and pricing experts at the agency, DCMA can rebuild its capabilities and reap the benefits for years to come. ☐



Robert Panaroni, Defense Contract Management Agency Hartford cost/price analyst, reviews a recent forward pricing rates analysis with George Mettey, DCMA Hartford Contracts director. (Photo by Mars Healey, DCMA Hartford)