



PMI-OC VISION
▶ We are recognized as the volunteer organization of innovative project management professionals. We provide value to our stakeholders and the community at large. We promote the development of project management as a benefit in all industries.

PMI-OC MISSION
▶ We promote project management by providing services, tools and knowledge to project sponsors, project managers, team members and the community. We provide a forum for networking and opportunities for social interaction.

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Kristine Hayes Munson, PMP
Chair/President
Tel: 949-932-1476
chair@pmi-oc.org

Glen Fujimoto
Chair Elect
Tel: 714-227-9172
chairelect@pmi-oc.org

Gene Dutz
Finance Director/Treasurer
Tel: 714-309-4053
finance@pmi-oc.org

Stephen June, PMP
IT Director
Tel: 714-963-6145
it@pmi-oc.org

Diane Altwies, PMP
Marketing Director
Tel: 949-756-0443
marketing@pmi-oc.org

Rod Hendrixson
Membership Director
Tel: 714-389-6411
membership@pmi-oc.org

Pan Kao, PMP
Operations Director/Secretary
Tel: 562-882-8829
operations@pmi-oc.org

Cornelius Fichtner, PMP
Programs Director
Tel: 949-932-1472
programs@pmi-oc.org

Victoria Flanagan
Director at Large
Tel: 949-888-2839
atlarge@pmi-oc.org

NOVEMBER 8TH PMI-OC DINNER MEETING

Leadership's Effect on Project Manager Turnover

By Dr. William G. Epstein, PMP
The Boeing Company

Dr. Epstein will present the findings from a recent academic study on leadership's effect on project manager turnover. Interesting to note, the research included project management professionals belonging to the Orange County Chapter of the Project Management Institute.

The study specifically focused on the relationship of transformational and transactional leadership behaviors on project manager turnover intentions. Bass and Avolio's (1995) *Multifactor Leadership Questionnaire* (MLQ) and Jackofsky and Slocum's (1987) measures of turnover intentions constituted the questionnaire.

The presentation will consist of a brief overview of the study's framework and discuss the importance to understanding and controlling project manager turnover. Lastly, the presentation will review the study's findings and implications relative to the types of leadership behaviors that affect project manager turnover.



William G. Epstein, Ed.D., PMP has over 23 years of engineering project management experience within the aerospace industry. Dr. Epstein has successfully led organizations within the program management, project management, engineering design, and production and test integration disciplines. In addition, Dr. Epstein provides consulting services to organizations in need of disciplined practices relative to leadership development, strategic planning, project management effectiveness, and lean infrastructure processes.

We are back at the Wyndham Hotel in Costa Mesa! To welcome us back, the Wyndham is offering a free bar to our members this month. Please join us, and drink responsibly.

Wyndham Orange County Airport
3350 Avenue of the Arts
Costa Mesa, CA 92626
714-751-5100

Directions: Take the 405 (San Diego) Freeway, exit at Bristol, turn onto Anton Boulevard, turn left on Avenue of the Arts.

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NEW MEMBERS

Yaakov Arditi
Beech Street

Arun Arora

Jeffry Childress
FluidIQs, Inc.

Damon Delorenzis
Gale Banks Engineering

David DePina
KPS

Nell Donaldson
SBC

Dale Evans
IBM

Faris Fyzee
Washington Mutual
Long Beach Mortgage

Seyed Ghorashi
Simpson & Simpson

Wade Grimm
Parker Hannifin

George Hanna
Toyota Motor Sales, Inc.

Matthew Hedrick

Sandra
Cerner Corp.

Zachary Hopkins

Peggy Hopkins
Keane, Inc.

Steve Jaben
M Squared Consulting

Ravi Karnam

Jaspreet Kochhar

Deborah Kruse
Orange County Superior Court

Richard Lara
Information Systems Support, Inc.

Michael Lehman
IBM Global Services

Jeff Lyons

Laura Mayfield

James Miller
Crane Hydro-Aire

Sridhar Narasimhan

Fred Neroni
County of Orange/RDMD

Kenneth Ngo
The Boeing Co.

Hong Do Nguyen
Southern California Edison

Raja Noori
Hewlett Packard

Lyle Owens
Farmers Insurance Exchange

Joe Paradiso
Honeywell International

Ramakrishnan

Continued on page 15

THE CHAIR'S COLUMN

State of the Chapter



Wow! I am awed by the hard work and time so many people have invested in PMI-OC this year. In preparing for the yearly state of the chapter address given at the October 11th annual membership meeting, I was truly humbled by the volunteer efforts that keep PMI-OC strong.

PMI-OC's Great Volunteers

To date, PMI-OC has recognized ten volunteers of the month in 2005: **Alan Widmer** (January), **Behrad Fardi** (February), **Lora**

Lockwood (March), **Sriram Ramadas** (April), **Joe Roux** (May), **Jim Monical** (June), **Mark Hamilton** (July), **Pia Nielsen** (August), **Sharon White** (September), and **Phyllis Sharum** (October). Their efforts are only the tip of the iceberg.

We have over 125 active volunteers working on various chapter committees in 2005. This is a dramatic increase in volunteers from 2004, when we recognized 113 individuals as active volunteers. In addition, approximately 200 people are members of the PMP® exam preparation instructor pool. By the way, did you know that as of September 30, over 878 PMI-OC members have earned their PMP certifications? PMPs now represent over 55 percent of our membership.

I'm thrilled that we will be celebrating the accomplishments of each volunteer at the upcoming volunteer recognition event on November 12. PMI-OC Volunteer Coordinator **Brent Felsted**, PMP is planning a great event. If you are a current volunteer or would like to volunteer, please contact Brent at felsted@ugs.com to learn the details.

Save the December Dinner Meeting Date

I encourage you to plan on attending the December 13th dinner meeting. It will be a truly special evening. Earlier this year PMI-OC recognized long-time volunteer **Ed Walker**, PMP as the first PMI-OC Fellow. At the December dinner meeting, we will honor several others by awarding them the PMI-OC Fellow distinction for their contributions to PMI-OC and the Orange County project management community.

You will have an opportunity to contribute to the Orange County community by participating in the Sparks of Love Toy Drive. Please bring a new, unwrapped toy to the December dinner meeting.

Finally, we will be celebrating you at the December dinner meeting. PMI-OC's membership exceeded 1,500 earlier this year: a major growth milestone. As of September 30, PMI-OC had a 19.27 percent growth rate. That means that over 517 people joined PMI-OC so far this year!

Hard Work Brings Results

All members have had the opportunity to participate in outstanding educational programs this year. As of October, PMI-OC has sponsored:

- Ten Monthly Dinner Meetings
- Eighteen Monthly Breakfast Roundtables
- Nine Advanced Topics Seminars
- Five PMP Exam Preparation Workshops
- Seven Career Networking Evenings
- Ten *Milestones*
- One Executive Roundtable
- One New Member Orientation
- Two All-Day Conferences

Thank You

I want to express my appreciation to each of you for making PMI-OC such a strong chapter. I am grateful for the many volunteers who work hard to provide consistently high quality events and run the supporting programs. I'd also like to recognize those of you who make time to attend these programs. Thank you for sharing and helping us learn together. Finally, I want to express my gratitude for those of you who are members, but find it difficult to participate regularly. You are an important part of our community. Please let me know how we can better serve your needs.

PMI-OC is a healthy, thriving organization because of you!

Kristine A. Hayes Munson, PMP

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VOLUNTEER OF THE MONTH

Phyllis Sharum Honored



A resolution was unanimously passed at the September 2005 board meeting of your chapter designating **Phyllis Sharum** as the Volunteer of the Month for October 2005. Chapter Volunteer Coordinator **Brent Felsted, PMP** honored Phyllis at our October dinner meeting by presenting her with a Certificate of Appreciation.

Phyllis has been a member our chapter for about two years. A year ago she took over management of the PMI-

OC website from **Pan Kao, PMP**. Those of us who frequently visit the website can certainly attest to its superb quality.

Phyllis modestly gives credit to others, "I work with some great volunteers . . . Pan, **Cornelius Fichtner, PMP** and **Stephen June, PMP**."

Regarding her goals on becoming a PMP®, Phyllis has every intention of applying and will take the exam, "when I can find the time to study."

Phyllis owns a computer training company, PC Training and Support. We wish her well!

Dave Jacob

The End of Fairy Tale Beginnings



CONGRATULATIONS to **Thomas Cutting, PMP** on his first official publication in a national magazine.

Tom's article, "The End of Fairy Tale Beginnings," appeared in the

October 10, 2005 edition of *Computerworld*.

See how spellbound stakeholders can chain your project to the dungeon of disaster, and learn how to lift the curse for a happily-ever-after ending.

To read the complete story, go to <http://www.computerworld.com/managementtopics/management/project/story/0,10801,105217,00.html>.

Tom can be reached at Thomas_E_Cutting@keane.com or at 714-262-2303.



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- 4. Project Monitoring and Control** April 8 and 22, 2006
- 5. Project Risk Management** May 6 and 20, 2006

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2006 BOARD OF DIRECTORS ELECTION RESULTS

From September 13 through October 1, 2005, PMI Orange County Chapter members elected the 2006 Board of Directors **through electronic balloting** for the first time.

Francis Amalraj, PMP, Election Committee Chair (below), announced the results at the October dinner meeting.



Office	Candidate	Confirm	Do Not Confirm
Chair	Glen Fujimoto	N/A	N/A
Chair Elect	Cornelius Fichtner, PMP	217	17
Finance Director/Treasurer	Pia Nielsen, PMP	216	13
IT Director	Stephen June, PMP	221	10
Marketing Director	Brent Felsted, PMP	214	12
Membership Director	Rod Hendrixson	217	9
Operations Director/Secretary	Pan Kao, PMP	217	9
Programs Director	Kristine Hayes Munson, PMP	225	7
Director at Large	Victoria Flanagan	218	13

The 2005 Board of Directors thanks the members for participating in the election of the new slate and congratulates the incoming 2006 Board of Directors.

OCTOBER MEETING REVIEW

2004 Project of the Year Award Winner Goes on to Win 2005 World Championship

Who hasn't admired the skippers of those elegant sailboats that dot the sea off Newport Beach or Santa Monica on a beautiful Sunday afternoon? Who ever wondered what goes into the design and product of such a craft? With his lucid style, **Jeremy Laundergan, PMP**, "sailed" us through his presentation of how he and his team* designed and built a high-performance catamaran, the new Nacra A2.



The Nacra A2 "flying" over the water

Catamarans are rather different than conventional sailing yachts; they have two hulls and a tall mast, and require particular skills to keep them from capsizing. The advantage of the catamaran is that it combines lightness with low water resistance.

Jeremy, **Pete Melvin** and **Gino Morrelli** had set their minds on the A-class catamaran. This class designates an 18-foot single-handed sailboat that meets four requirements for length, width, sail area, and weight. First introduced in the 1960s,

this class of sailboat has become more popular worldwide. For boats of this class, the International Sailing Association specifies the "Box Rule."

There are five international designers and builders of A-class catamarans. Located in Australia, Germany, Italy, Sweden, and the U.S., they compete against each other throughout the world.

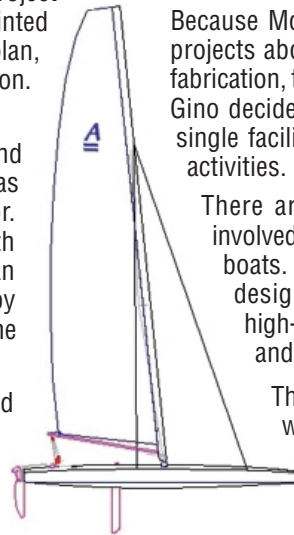
Pete Melvin wanted to design and build such an A-class catamaran that would enable him to compete internationally and that would be affordably priced, around \$18,000. Pete and his business partner, Gino Morrelli, became the sponsors of this project by providing the initial capital and executive management. In time, they appointed Jeremy Laundergan as the project manager. Jeremy developed the project plan, including reviews and revisions, and executed this plan for the project's duration. He also developed the project budget.

Of course, there were many challenges requiring innovative solutions and consensus among the members of the project team. Jeremy, the designer as well as project manager, was empowered to make decisions on the shop floor. Whenever Jeremy was uncertain about what course to take, he consulted with Pete who provided guidance and counsel. Because the Nacra A-2 catamaran was a speculative venture, Pete and Jeremy began the initiation phase by working after hours and "off clock." They finished the design concept for the new A-class catamaran without officially launching the project.

Pete had started the Nacra A2 project after identifying a need for an updated version to his earlier "Waterat" A-class catamaran designed in 1997. He and Jeremy consulted with marine industry professionals to review their results and to provide feedback. Because the response from these professionals was overwhelmingly positive and encouraging, Pete and Jeremy decided to proceed into the planning phase of their project.

They both understood that the market could sustain only a certain price point for the new Nacra A2. Their previous Waterat design was of very high quality and hand crafted, but its high product cost drew too few sales. For the new Nacra A2, an estimated sales price of \$18,000 was more realistic. Of

- 18 feet long
- 7 feet, 6 inches wide
- 150 square feet of sail area
- 165 pound minimum weight



A fleet of catamarans racing against each other



Kim Fields, PMP introduces October speaker, Jeremy Laundergan, PMP.

course, this price ceiling also imposed a budget limit for the development costs. The question was whether Jeremy and Pete could purchase all of the required hardware, pay for operation and maintenance expenses, amortize the cost of the tooling, and build a production boat with enough margin for a profit.

There were several procedure options. Jeremy and Pete could contract with an established builder for the tooling and fabrication of the production boats. Or they could acquire internal resources to build the tooling, prototype, and production boats "in house." Jeremy and Pete thus faced the classic "make or buy" decision.

Because Morrelli & Melvin had a few other projects about to enter the tooling phase of fabrication, the project sponsors and Pete and Gino decided to combine all projects into a single facility for the tooling and prototype activities.

There are fairly well established steps involved with tooling and fabricating small boats. What made Pete's and Jeremy's design unique was the utilization of high-tech materials, design techniques and tooling.

The first phase of tooling fabrication was outsourced to Janicki Industries in Washington State. This company has the capability to fabricate molds and mold plugs with a computer controlled five-axis router, which exactly duplicates the CAD shapes developed and modeled with a computer. This was a fixed price bid with duration determined by the supplier.

Upon receiving the mold plug from Janicki, the remaining scope for tooling

and prototyping was then detailed with resource requirements, activity definition and

Continued on page 6

* Key members of Jeremy's team:

Morrelli and Melvin Design & Engineering, Inc. (www.morrellimelvin.com): Pete Melvin, designer and project sponsor; Gino Morrelli, production builder and project co-sponsor.

Askeland Engineering (www.askeland.net): Jeremy Laundergan, designer and project manager.

duration estimation, as well as activity sequencing, in order to develop the project budget.

During this time, Jeremy analyzed the estimates for how much a boat would cost to produce with both a bottom-up and top-down approach. Amazingly, both estimates agreed very closely, and the outcome reduced the uncertainty in the estimates. The expected development costs were divided by the number of boats that had to be produced to reach break even. This amount was then added to the cost of expected material and labor for each boat to determine whether a boat could be built profitably.

Hardly a surprise, things didn't start on time and took longer to finish than expected. However, through effective team leadership, the delays remained manageable, and the project finished in time for the 2003 North American Championships in Louisiana.

The overriding risk for the project was the question of cost versus price. The answer to this question required an additional estimate of the cost of labor and materials for each production boat. The comparison of the cumulative cost estimate with the estimated \$18,000 sales price determined whether there was enough margin to cover tooling amortization, shop overhead, royalties, insurance, warranty expense and profit. Upon review, Pete and Jeremy determined that the cost structure would be tight, but sufficient to warrant the investment in a twenty-boat production cycle.

To provide seed capital for his venture and to start the tooling, Pete Melvin solicited deposits for the first five boats. He offered a special introductory price of \$15,500 to active class members. Being successful at raising the five deposits convinced him that there was enough market demand to make building the Nacra A2 a viable project.

Ever since man started venturing out to sea, the marine industry has been plagued by projects that were late, over budget and that did not live up to expectations. Many modern boat builders have faltered because they were unable to deliver products on time, on budget, and with consistent quality.

While it may be common in other industries, the application of project management principles within the marine industry's pleasure boat segment is still in its infancy. The profit margins are very low because the market is subject to the customer's discretionary spending and to overseas competition, which keeps pressure on the price of domestically produced boats. Pete

and Jeremy concluded, correctly, that only a disciplined approach will let them meet the triple constraint and customer requirements.

To them, the creation of a project management plan and execution of that plan were essential for controlling costs.

In 2004, the Nacra A2 earned the "Performance Boat of the Year" designation by *Sailing World* magazine.

Also in 2004, Jeremy Laundergan's project earned our chapter's "Project of the Year" award. And in the summer of 2005, the Nacra A2 proved its mettle in international waters, when Pete Melvin sailed it victoriously to win the 2005 World Championship (Championnat du monde Catamarans Class A) in Sanguinet, France, in a series of races against 100 entries from all over the world.

Thank you, Jeremy, for providing us with a thoroughly fascinating perspective on the art and thrill of sailing.



The Nacra A2 in full sail

George D. Meier, PMP

PMI-OC ANNUAL MEETING

October 11, 2005



Clockwise: PMI-OC Chair **Kristine Hayes Munson, PMP** honors 2005 Volunteers of the Month; PMI-OC's first PMI® Fellow, **Ed Walker, PMP**, takes a bow; long time PMI-OC volunteer and past president, **Dave Jacob**, thanks the audience for their recognition; **Dan Stadler, PMP** and **Low Siegler, PMP** stand for applause; **Kristine Munson, PMP** and **Fiona Young, PMP** network before the meeting; October Volunteer of the Month, **Phyllis Sharum**, compares notes with IT Director **Stephen June, PMP** and Operations Director/Secretary **Pan Kao, PMP**.



2005 MEMBERSHIP SURVEY RESULTS

With over 260 responses to our annual membership survey, including some very detailed comments, we've received some great feedback on what the chapter is doing well and what we can improve on.

So what do our members look like? Project management was indicated as the primary job function for 69 percent of the respondents. However, it was clear that not all of these project managers are involved with IT

Figure 1: Industries of Respondents

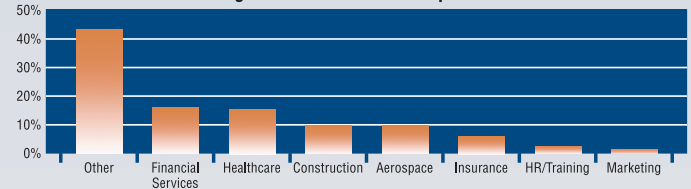
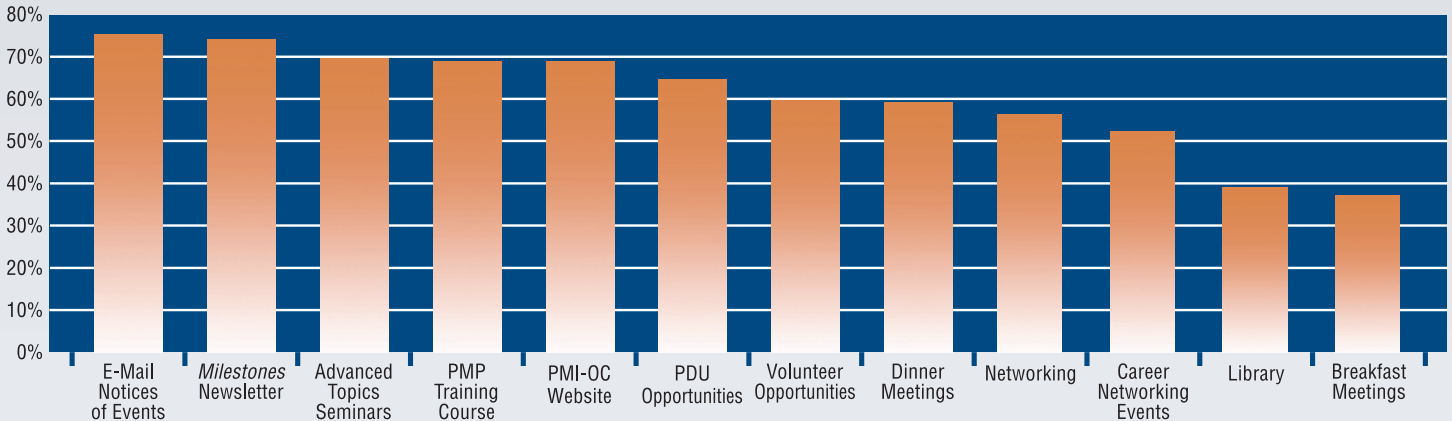


Figure 2: Percentage Very or Extremely Satisfied



projects, as 44 percent indicated that their projects dealt with something other than IT. Financial services is the single biggest industry with which our respondents are affiliated (16 percent), followed closely by health care at 15 percent. Ninety-five percent of the respondents indicated that they are currently employed. **See Figure 1.**

The membership survey also asked a number of questions about what benefits and services were utilized. The dinner meeting is the single most widely attended event, with 51 percent indicating they had attended one or more dinner meetings in the prior 12 months. The survey also asked a number of questions about other chapter benefits and services and levels of satisfaction with those services. **See Figures 2 and 3.**

The *Milestones* newsletter had 74 percent of respondents indicating that they were very or extremely satisfied. E-mail was the preferred method of delivery for 49 percent of respondents, while postal delivery was still preferred by 43 percent. Relevancy of the articles was perceived as the primary newsletter benefit.

While only 32 percent of respondents indicated they had participated in one or more advanced topics seminars in the last 12 months, 70 percent indicated they were very or extremely satisfied with the seminars they had attended. For those who have yet to attend one of these sessions, you might consider doing so.

An area for improvement appears to be our networking meetings, as only 56 percent indicated they were very or extremely satisfied. This is especially relevant since 41 percent of the respondents indicated they are currently looking for a job. Breakfast meetings also appear to be an area that could use some improvement. Only nine percent of respondents indicated they had attended a breakfast meeting in the past 12 months, and the percentage of very or extremely satisfied is only 37 percent.

There was also a series of questions related specifically to what future dinner meeting topics would be preferred. Seventy-six percent indicated that soft skills, such as leadership and communications, would be a

Figure 3: Attended One or More Events

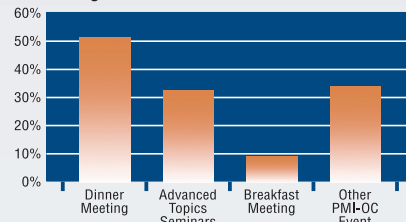
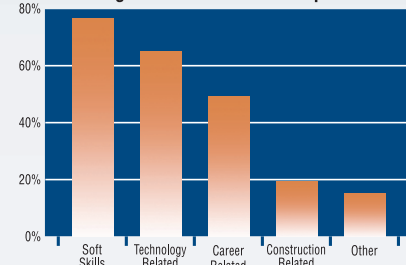


Figure 4: Future Dinner Topics



preferred topic. Technology related topics were indicated as a preferred topic by 65 percent of the respondents. **See Figure 4.**

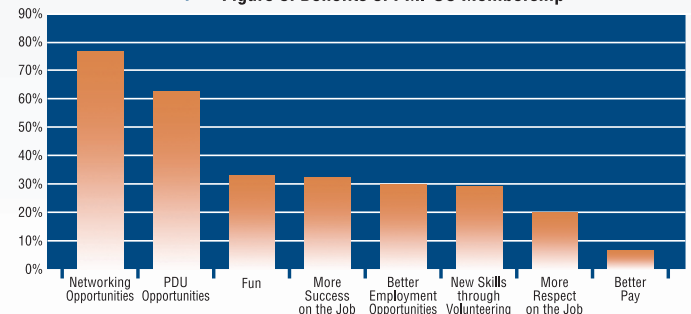
There were also questions ranking the value of vendor presentations at the dinner meetings. Sixty-seven percent felt the ten minute vendor presentations improved awareness of products on the market. Fifty-six percent indicated they would like to see more vendor participation at PMI-OC sponsored events.

The last series of questions asked what specific benefits our chapter members gained from PMI-OC. Seventy-seven percent felt that networking was a valuable benefit that PMI-OC membership provides. Earning PDUs was considered a valuable opportunity by 66 percent, while having fun was indicated by 33 percent of respondents. **See Figure 5.**

For those of you who participated in the survey, we thank you and will take your suggestions to heart. For those who didn't get to participate, we look forward to hearing from you next year.

Ann Burkle, PMP

Figure 5: Benefits of PMI-OC Membership





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ADVANCED TOPICS SEMINARS

Living With Your SOX On Practical Guidelines to Sarbanes-Oxley for the Project Manager

On Saturday, October first, at UCI, **Kevin Merriman, PMP, CSOX** shared his considerable expertise on Sarbanes-Oxley with 35 eager seminar participants.

Seminar Objective and Deliverables

Project management requires the ability to look forward, forecast and plan. The Sarbanes-Oxley Act of 2002 (SOXA) has added a new dimension to this required forward vision. Of all the words that we would hear from the boss, we would never want to hear, "Why do we have to go back and fix it for Sarbanes-Oxley? Why wasn't it in your project plan?"

Not everyone requires an in-depth knowledge of SOXA. However, we all need to be aware of how it will influence and guide our project planning, tracking, and record keeping.

During this session of both tutorial and interactive discussions, Kevin explored with the participants some of the impacts and experiences encountered in a variety of industries. The discussion addressed the day-to-day practicalities of managing projects in a SOX world. On our journey through the land of SOX, we explored with Kevin:

- The targets of a SOX review
- What a control is and how it is SOX tested
- The practical steps you can take to navigate through a successful SOX audit
- The best practices for managing SOX projects

Agenda

1. Sarbanes-Oxley Act of 2002
2. Sections 302, 404, and 409
3. A Practical Guide to Audits
 - Risk Management
 - Accountability Management
 - Control Testing

Kevin's Slide Presentation

Sarbanes-Oxley Act of 2002

- Also known as SOX, Sox, S-Ox or SARBOX
- The American Competitiveness and Corporate Accounting Act of 2002
- Passed June, 2002; signed July 30, 2002
- PCAOB: Public Company Accounting Oversight Board
- More Audits



Sections 302, 404 and 409

Section 302

- CEO and CFO Personally Responsible
- Annual Report Validity

Section 404

- Definition of Violations

Section 409

- Penalties Upon Conviction
 - Intentional
 - Inadvertent
- Restatement of Prior Year's Report

Relevant System Issues

- Controls
- Evaluation
- Disclosure

Questions and Answers

Q: Does SOX apply to only publicly traded companies?

A: No; it also applies to companies that have stock that is widely held (but not public) that is in the process of an IPO, or companies that use suppliers that are publicly traded.

Q: Why do we focus on Sections 302, 404, and 409 only?

A: Because the other sections pertain to governmental entities, CPA firms, etc.

Q: What transactions are important to SOX?

A: Those that have cost, revenue and disclosure consequences.

Q: Why is it important to know who authorized the work?

A: The cost of certain projects can have an impact to the financial statements. If a proper individual doesn't approve IT work, it is an indicator of a control weakness.

Q: What is an efficient way to ensure proper evidence of control for automated transactions?

A: Header and footer totals, etc.

Q: How many IT environments should exist to ensure proper segregation?

A: Development
Quality assurance
Testing,
Production

Q: How many audit roles might exist for SOX impacted companies?

A: Internal audit
CPA firm audit
CPA firm consultant
ISO audit
Compliance

Continued on page 00

Test Your Knowledge on PMP® Exam Questions

Answers are on page 14

1. You are one of five full-time project managers who report to a director of projects, as well as two administrative persons whom you share. At any given point in time, about 30% of the company's employees perform work on projects. However these employees report to various functional managers charged with the responsibility of assigning them to do work on projects. How would you characterize the project teams?
 - a. Projectized
 - b. Weak Matrix
 - c. Strong Matrix
 - d. Functional
2. A diagram that illustrates how various factors might be linked to potential problems or effects is called:
 - a. Pareto diagram
 - b. A fishbone or Ishikawa diagram
 - c. Process flowchart
 - d. A quality verification method
3. Developing strategies for opportunities or positive risk is part of which process?
 - a. Strategic planning
 - b. Qualitative risk analysis
 - c. Risk response planning
 - d. Decision tree diagramming
4. You have an opportunity to submit a competitive proposal to a potential client for which your organization is amply qualified to perform the work. You discovered this opportunity from your cousin who is currently employed by the client. What should you do?
 - a. Don't submit a proposal.
 - b. Submit a proposal.
 - c. Submit a proposal and disclose how you discovered this opportunity.
 - d. Don't submit a proposal and notify the potential client as to how you discovered this opportunity.

Advanced Topics Continued from page 9

Q: How do we manage change control in emergencies?

A: List persons pre-authorized to make changes; access controls; post change process (documentation; approval).

Q: How long do documents need to be stored?

A: Based on company rules or regulatory standards and procedures. Three, four, seven, or 50 years; it varies.

Q: How can we use our knowledge of SOX?

A: Use to pressure executives to provide adequate resources and proper procedures.

More of Kevin's Slide Presentation

Points of Interest

- Methodology
- IT Internal Controls
- General vs. Application Controls

Methodology

- What is to be done?
- What are the deliverables?
- Are there adequate controls?
- Segregation of duties (SOD)
- Segregation of environments (SOE)

IT Internal Controls

- Is the transaction processing directly or indirectly related to financial reports?
- Is an automated process critical to the business?
- Is a series of transactions an impact to an important account?
- Are there known deficiencies or material weakness in a technology?
- Is this a high risk operation?

General vs. Application Controls

- Who changed the system?
- What did they change?
- Who asked for the change?
- Who authorized the work?
- Did you cause the effect you wanted?
- Did you cause any other problem?
- What was sent to the system?
- What was supposed to be sent?
- What was received by the system?
- What errors occurred in the system?
- What corrective action was taken?
- Who took the corrective action?
- Were they authorized to take action?

Internal Controls

- Two Models
 - Process Model
Input > Process > Output > Admin > Errors
 - Interface Model
Process > Interface > Process

Full Product Life Cycle

- Maintenance
 - Break/Fix
 - Backups
- Upgrades
- Enhancements

Segregation of Duties

In the cycle of:

Create > Validate > Install > Create

Examples:

- Creation, update, and disposition of payments
- Vendor, invoice and credit memo
- Development, quality assurance and operations

Segregation of Environments

In the cycle of: Controlled Testing > Controlled Production > Uncontrolled Development > Controlled Testing.

- Production
- Quality assurance
- User acceptance testing
- Development

Practical Application for SOX

- PMBOK® vs. XP
- Documentation
 - Meeting minutes
 - Spreadsheets
 - Project plans
 - E-mail and backup
 - Document retention

Discussion of Segregation of Duties and Environments

- Case Studies
- Examples

References

Websites

- www.soxinstitute.org
- www.pmi.org
- www.pcaobus.org

Books

- "Manager's Guide to the Sarbanes-Oxley Act," by Scott Green
- "Sarbanes-Oxley and the Board of Directors," by Scott Green
- "The Sarbanes-Oxley Guide for Finance and Information Technology Professionals," by Sanjay Anand, CFE

Breakfast with Your SOX On

Monthly PMI-OC breakfast roundtable facilitated by Kevin Merriman, PMP, CSOX

- Every second Thursday
- Doubletree Hotel, Irvine Spectrum
See page 15
- Breakfast at 7:15 a.m.
- Self-paid breakfast, validated parking
- All Things SOX

Lynn Tagami, PMP



WEDNESDAY, NOVEMBER 16, 2005 PMI-OC CAREER NETWORKING GROUP

PROJECT MANAGING YOUR CAREER SEARCH

You are a great PM, right? You took the PMP® exam and passed, and there is no question in the PMBOK® standards that can stump you! Bet you can whip up a project plan that can help an organization deploy a million dollar project on time. But how good are you at deploying a plan that gives you the formula for finding the shortest path to your next job? Do you know how to organize your career search in an organized and successful task level?

If you're not doing this, then you need to attend this fun and interactive discussion by **Sabrina Mancini-Johnson**, president of 2EnVision Project Management Staffing. This will be a great opportunity to get detailed insights about what works when you consider project managing your career search for success.

Sabrina Mancini-Johnson has over twenty years of hands-on expertise in project and people management. In 2004 she started 2EnVision Staffing, specializing in the placement of project management resources. (www.2EnVisionInc.com)

For more information, please contact **Melanie McCarthy**, ResourceXperts, at 562-592-2255 or mccarthy@resourceexperts.com.

When:	Wednesday, November 16, 2005, 6:00 p.m. – 9:00 p.m. Registration and food start at 6:00 p.m. Program starts at 6:30 p.m.
Where:	40 Plus of Orange County, 2040 South Santa Cruz, Suite 245, Anaheim, CA 92805, 714-938-0161
Cost:	\$5.00 PMI-OC members / \$5.00 non-members (Covers food and soft drinks.)
Register:	www.pmi-oc.org

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THURSDAY, NOVEMBER 17, 2005 NEW MEMBER ORIENTATION MEETING

WELCOME to **Project Management Institute – Orange County Chapter, Inc.** You have taken the first step toward managing your professional career network and developing relationships with local, knowledgeable project managers and like-minded professionals.

You are invited to join us for an informal orientation and networking session. Meet the PMI-OC Board of Directors and your fellow members. Let us show you the value added benefits, professional development opportunities, and programs PMI-OC offers its members. The number one benefit of your membership with PMI-OC is the vast pool of individuals you can network with. Networking is a powerful way to make new contacts and bolster your access to these resources when you need them. Networking also increases your professionalism and heightens your visibility with others.

We will present a brief overview of the techniques you can use to maximize the time you spend with fellow members. Utilizing the tips and pointers that **Melanie McCarthy** shares will improve your networking skills and enrich the experience measurably. Melanie currently orchestrates the PMI-OC Career Networking Group sessions.

When:	Thursday, November 17, 2005, 6:00 p.m. – 8:00 p.m. Registration and food start at 6:00 p.m. Program starts at 6:30 p.m.
Where:	UC Irvine. Building 231 (Women's Opportunities Center/University Extension A UNEX) Rooms 101-102. Park in lot SSPS, across from the building, and follow the PMI-OC Event signs. For UCI map: http://today.uci.edu/pdf/UCI_05_Map.pdf . UCI map quadrant D7. Directions from Campus Drive: turn on Stanford into UCI. Parking will be to your left.
Cost:	Food provided at no charge. Parking is \$2.00 an hour.
Register:	www.pmi-oc.org . Please register early; space is limited to the first 50 members.
Questions:	E-mail: membership@pmi-oc.org

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December 1-3

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ADVANCED TOPIC SEMINAR: NOVEMBER 5, 2005

Real Time Project Management: Lessons from the Junkyard

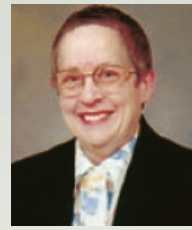
It is 3:00 p.m. on a Friday afternoon. You have just completed a week of hard work on your project. Your boss pops into your office and tells you that you and your team have until Monday morning to deliver a critical change to the project. In spite of trying to negotiate more time to complete the task, you and your team are required to complete this special project.

What do you do? How do you deliver? What is your focus?

This four hour seminar focuses on analyzing real time situations using video case studies. In teams, you will learn to analyze short term situations, as well as predict success or failure based on your available plans and resources. Learn what might make a difference to your continued success in real time situations.

When:	Saturday November 5, 2005	Register:	www.pmi-oc.org
Time:	8:00 a.m. to 12:00 p.m.	Questions:	advancedtopics @pmi-oc.org
Location:	UCI, Building H (Building 236 on UCI map) Room 168-70	PDUs:	There are four PDUs for this event.
Parking:	Social Science Parking Structure \$7 a day	Cost:	\$25 for PMI members \$30 for non-members

For more parking information go to www.parking.uci.edu/permits/guestparking.cfm.



Pam Wiedenbeck, PMP, an experienced project manager, has been leading projects of all sizes for more than 20 years, as well as training the next generation of project managers. She is currently a contract instructor for The Industrial Relations Center at The California Institute of Technology.

In her prior role as managing director at a major consulting company, Ms. Wiedenbeck was responsible for all client relationships and development of new business in the Southern California area. She was responsible for coordinating delivery for multiple clients.

Ms. Wiedenbeck has worked in both consulting and management roles since 1988. As a senior project manager specializing in large scale, custom application integration and roll-outs, she has worked on projects for clients such as Capital Group, McDonald's Corporation, Reuters, and Bank of America.

Ms. Wiedenbeck is an active member of the PMI® Los Angeles Chapter, where she teaches the communications module of the chapter's PMP exam preparation course.

2006 PMI® PROJECT OF THE YEAR AWARD



It is not too late for you and your organization to showcase your excellence in project planning and execution!

All projects, regardless of size and industry, are encouraged to participate. PMI affiliation is not necessary. Other professional associations are invited to encourage participation.

Here is your chance to be recognized by PMI® for your excellence and contribution to the institute and advancement of the project management field. Every year PMI conducts a Project of the Year (POY) competition in search of superior performance and execution of exemplary project management. Your project and your team's success could be publicized and recognized for superior performance and execution of project management principles and contribution to the industry, as well as locally in the industry. The process involves three tiers of competition: Preliminary, Semi-Finalist, and Finalist.

PRELIMINARY LEVEL: ONE PROJECT SELECTED IN ORANGE COUNTY

Submit your project to the PMI Orange County Chapter by **January 27, 2006**. A panel of local project management experts designated by our chapter will review your project. Only one nominee will be selected by **March 3, 2006** for advancement to the Semi-Finalist Level. The PMI-OC POY Committee will contact all applicants directly with the Preliminary Level results. Furthermore, we will announce all applicants and this level's results to our membership at our March dinner meeting and in our *Milestones* newsletter.

SEMI-FINALIST LEVEL: THREE PROJECTS SELECTED WORLDWIDE

The PMI-OC POY Committee will submit the nominated OC project (winner from the Preliminary Level) to PMI Headquarters. A central panel of project management experts from around the world will review your project along with Preliminary Level nominees from other chapters. Three (3) finalists will be selected by **May 12, 2006** to advance to the Finalist Level.

FINALIST LEVEL: FINAL POY AWARD

The three finalist entries will be evaluated by a central panel of reviewers from around the world who have demonstrated successful project management expertise. The recipient of the PMI Project of the Year Award will be selected by **July 17, 2006**. PMI Headquarters and the PMI Board of Directors will acknowledge the PMI Project of the Year Award winner, as well as the other two finalists. The POY award will be presented at a specified PMI event.

SUBMITTAL AND CONTACT INFORMATION

To find out more about the eligibility and submittal requirements, please visit the PMI POY site: http://pmi.org/prod/groups/public/documents/info/ap_projectofyearaward.asp. Contact the PMI-OC POY Committee via e-mail at POY@pmi-oc.org with any questions.

Submit your project entries to the PMI-OC POY Committee via e-mail at POY@pmi-oc.org by **January 27, 2006**.





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Spark of Love

PMI-OC is supporting the Orange County Fire Department's toy collection drive again this year. We are planning to have members of the Orange County Fire Department at the December dinner meeting to accept unwrapped \$10.00 toys for boys and girls of all ages.

Please bring your toys to the dinner meeting, and become eligible for the special raffle we will hold for all those who donate.

The Spark of Love program, providing toys at the holiday time of year to less fortunate children, is administered by the Orange County Fire Department. This is a long running program that has a meaningful impact on our community. Please consider participating as a way to share with the less fortunate among us.

All attendees who bring a toy to the December dinner meeting will be given an extra raffle ticket for the evening's event.

Answers to PMP® Exam Questions

From page 10

1. **c. Strong Matrix**
PMBOK® 2004, paragraph 2.3.3, pages 28 to 31
2. **b. A fishbone or Ishikawa diagram**
PMBOK 2004, paragraph 8.3.2.1, page 192 [Monitoring and Controlling]
3. **c. Risk response planning**
PMBOK 2004, paragraph 11.5.2.2, page 262 [Planning]
4. **d. Submit a proposal and disclose how you discovered this opportunity.** PMI® Ethical Standards, Article I B 2: *"PMI Members will not take personal, business, or financial advantage of confidential or private information acquired during the course of their professional relationships . . ."*

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PMI-OC DINNER MEETING

Tuesday, November 8, 2005

Program: **Leadership's Effect on Project Manager Turnover**
Dr. William G. Epstein, PMP, The Boeing Company

Location: **Wyndham Orange County Airport**
3350 Avenue of the Arts, Costa Mesa
Take 405, exit at Bristol, turn onto Anton, left on Avenue of the Arts

Time: 5:30 - 9:00 p.m.

Cost: **Dinner and Presentation**
In Advance: *At the Door:*
Members \$25.00 Members \$40.00
Non-Members \$35.00 Non-Members \$40.00

Featured Presentation Only (Members and Non-Members)
In Advance: \$10.00 *At the Door:* \$15.00

Please register at www.pmi-oc.org. You can pay by credit or bank card in advance or by cash, check, or credit card (Visa or MasterCard only) at the door.

Make your reservation by 9:00 p.m. on Sunday, November 6, to obtain the "in advance" price. Reservations made after 9:00 p.m. on November 6 will be charged the "at the door" price.

If you are unable to attend, please cancel your reservation at www.pmi-oc.org. Members and non-members who cancel their reservations after Sunday, November 6, or anyone who makes a reservation and does not attend, will not receive any refunds.

PMI-OC BREAKFAST ROUNDTABLES

Breakfast with Your SOX On

Thursday, November 10, 2005 (second Thursday of every month)

Location: **Doubletree Hotel, Irvine Spectrum**
90 Pacifica Avenue, Irvine (405 and 133 Freeways)
Meritage Restaurant & Wine Bar, full breakfast buffet

Time: 7:15 - 8:30 a.m.

Register: E-mail to **Kevin Merriman, PMP, CSOX** at soxbreakfast@pmi-oc.org

Cost: Self-paid breakfast, parking is validated

PMO-Local Interest Group (LIG) Breakfast Roundtable

Tuesday, November 15, 2005 (third Tuesday of every month)

Location: **Hilton Hotel**
3050 Bristol Street, Costa Mesa (one block south of 405)
Atrium Café, Lobby Level

Time: 7:15 - 8:30 a.m.

Register: E-mail to **Robert Perrine, PMP** at info@pmi-oc.org

Cost: Self-paid breakfast, parking is validated

PMI-Central OC Breakfast Roundtable

Tuesday, November 22, 2005 (fourth Tuesday of every month)

Location: **Hilton Hotel**
3050 Bristol Street, Costa Mesa (one block south of 405)
Atrium Café, Lobby Level

Time: 7:00 - 8:15 a.m.

Register: E-mail to **Michael Nagatoshi, PMP** at breakfastnorth@pmi-oc.org

Cost: Self-paid breakfast, parking is validated

PMI-OC Breakfast Roundtable South

Tuesday, December 6, 2005 (first Tuesday of every month)

Location: **Doubletree Hotel, Irvine Spectrum**
90 Pacifica Avenue, Irvine (405 and 133 Freeways)

Time: 7:15 - 8:30 a.m.

Register: E-mail to breakfastsouth@pmi-oc.org

Cost: Self-paid breakfast, parking is validated

NEW MEMBERS

Continued from page 2

Andrew Ravindran
Siebel Systems, Inc.

Darin Rich
Altec, Inc.

Ali Salamat
Fluor

Bala Sandirassegarane
Keane, Inc.

Jane Schmitt
Toshiba America Medical Systems

Franklyn Simohn
Ameriquest Mortgage Company

Connie Stannard
Social Services Agency

Total New Members 39

Total PMI-OC Members 1,588

Total PMI-OC PMPs 878

Breakfast with Your SOX On

Where do you go when you have a question about Sarbanes-Oxley? Perhaps you have a designated compliance officer or a friendly auditor to ask. Many of us acknowledge that some of our best and most practical answers have come from our peers. And there is never enough time at symposiums or PMI® dinners for in-depth conversations. Now you have another alternative!

Come join us for breakfast on the second Thursday of every month and have an informative discussion on this very elusive topic. The intent of this breakfast roundtable is to promote an informal gathering and discussion for ten to fifteen project managers to discuss SOX topics from the project manager's perspective, receive suggestions from other attendees on your current SOX challenges, or receive information on the future of SOX.

Also, these meetings give members who could not attend regular dinner meetings another way to participate and get greater benefit from their membership.

Please bring your particular SOX challenges, valuable articles or recently found resources to share with the group.

Facilitated by
Kevin Merriman, PMP, CSOX



PMI Orange County MILESTONES

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MILESTONES is published for the members of the Orange County Chapter of the Project Management Institute for the purpose of notifying members of meetings, chapter activities, member accomplishments, and to provide information regarding project management in local business and government agencies. Advertising is welcome. However, its publication does not constitute endorsement by the chapter or the Project Management Institute.

Subscription rate for non-members is \$15.00 per year for individuals with U.S. mailing addresses.

Editor: **Lora Lockwood, PMP**
editor@pmi-oc.org

Advertising Director:
Perrine Crampton, PMP
advertising@pmi-oc.org

Design and Layout:
Jane Flynn
jane-flynn@earthlink.net

Printing: **Sir Speedy, Long Beach, CA**

Inquiries should be directed to:

PMI-OC, Inc.
Attn: Lora Lockwood, PMP
editor@pmi-oc.org

COMING EVENTS



NOVEMBER 5 ADVANCED TOPICS SEMINARS

Real Time Project Management:
Lessons from the Junkyard
Presenter: Pam Wiedenbeck, PMP
Location: UCI



NOVEMBER 8 DINNER MEETING

Leadership's Effect on Project Manager Turnover
Dr. William G. Epstein, PMP, The Boeing Company



NOVEMBER 10 BREAKFAST ROUNDTABLE

Breakfast with Your SOX On



NOVEMBER 15 BREAKFAST ROUNDTABLE

PMO-Local Interest Group (LIG) Breakfast Roundtable



NOVEMBER 16 CAREER NETWORKING GROUP

Project Managing Your Career Search
Location: 40 Plus of Orange County



NOVEMBER 17 NEW MEMBER ORIENTATION

Location: UCI Building 231, Rooms 101-102



NOVEMBER 22 BREAKFAST ROUNDTABLE

PMI-Central OC Breakfast Roundtable



DECEMBER 6 BREAKFAST ROUNDTABLE

PMI-OC Breakfast Roundtable South



JANUARY 27, 2006 PMI® PROJECT OF THE YEAR

Submission Deadline

For details and registration information on all events for PMI-OC, see www.pmi-oc.org

LEGEND



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