

# CENTER FOR NUCLEAR WASTE REGULATORY ANALYSES

## TRIP REPORT

**SUBJECT:** Attendance at Massachusetts Institute of Technology, Sloan School of Management Course—Fundamentals of Finance for the Technical Executive

**DATE/PLACE:** March 23–24, 2006  
Cambridge, Massachusetts

**AUTHOR:** Patrick Mackin

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### PERSONS PRESENT:

This course was attended by 75 persons from a variety of public and private institutions and businesses. The final attendance list is attached.

### BACKGROUND AND PURPOSE OF TRIP:

The Massachusetts Institute of Technology (MIT) Sloan School of Management is a recognized leader in advanced education for business and finance. The Sloan School of Management presents a series of specialized short courses. The course, Fundamentals of Finance for the Technical Executive, is aimed at persons with a technical background who have been placed in positions that demand a working knowledge of the principles of business finance. My attendance at this course was timely in view of imminent Center for Nuclear Waste Regulatory Analyses (CNWRA) high-level waste contract renewal activities and the need to ensure that financial management for CNWRA is conducted consistent with the Federal Acquisition Regulation.

### SUMMARY OF PERTINENT POINTS:

Fundamentals of Finance for the Technical Executive was taught by Dr. Dirk Jenter and Dr. Nittai K. Bergman, both Assistant Professors of Finance for the MIT Sloan School of Management. Dr. Jenter and Dr. Bergman were excellent instructors. Their presentations were clearly linked to the text that was provided as part of the course registration fee, and their joint academic and business experience contributed to a interesting, fast-paced, no-nonsense course. The course agenda is attached.

The course was based on "*Analysis for Financial Management, Eighth Edition*," by Robert C. Higgins, a Marguerite Reimers Professor of Finance. Pre-course study assignments were defined in a course registration letter received several weeks prior to the course convening date. These assignments included reading, problem solving, and writing a brief assessment of a set of financial data. I found the assignments to be particularly useful, and without prior study, I doubt I would have benefitted from the course as extensively as I did.

The course agenda focused on basic finance concepts such as interpretation of financial statements, sustainable growth, and project planning and financing. Activities included lectures, case studies with problems, assessments conducted in randomly assigned groups,

and class discussion of results. Many of the attendees had substantial finance experience, and their insights on approaches to problem solving and analyses were valuable.

A particularly important aspect of the course was the acknowledgment and management of uncertainty in finance. Specifically, sensitivity analysis, scenario analysis, and simulation were identified as valuable tools in financial management. These approaches could be applied to cost-benefit assessments. All course materials and presentations were provided in hard copy form, and I will place these materials in the CNWRA library.

**IMPRESSIONS/CONCLUSIONS:**

This is an excellent course. I recommend limiting future attendance to those persons who will be dealing with financial management on a daily basis. If others attend, it is likely they would lose familiarity with the material from infrequent use.

The text "*Analysis for Financial Management*" is broad and extremely well written. I am using it for personal study and will place it in the CNWRA library for use by others.

Prior preparation for the course was vital for me. Since I was unfamiliar with some of the course material, I benefitted from several readings of the material identified in the course registration letter.

**PROBLEMS ENCOUNTERED:**

None.

**PENDING ACTIONS:**

I will pursue the third recommendation below.

**RECOMMENDATIONS:**

I recommend this course for U.S. Nuclear Regulatory Commission and CNWRA staff who move from technical positions to positions that have responsibilities for budgeting and planning.

I recommend the course text as a reference and primer for any technical staff member faced with a problem in financial management.

The CNWRA management team and the Finance Group might benefit from routine use of the financial planning and performance information that is readily available from a variety of commercially available software tools identified in the course text.

**SIGNATURES:**



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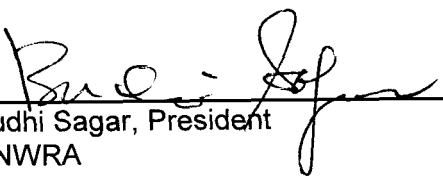
Patrick C. Mackin  
Director, Administration and  
Manager, CNWRA Operations



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Date

**CONCURRENCE:**

  
\_\_\_\_\_  
Budhi Sagar, President  
CNWRA

05/08/06  
Date

PM:rm

MIT Sloan School of Management  
*Fundamentals of Finance for the Technical Executive*  
March 23-24, 2006

Final Attendee List

Mr. Christopher Haskins  
Stamford, CT

Mr. Yuhka Mera  
Site Technical Manager  
3M Touch Systems  
Methuen, MA

Mr. Laird Malamed  
Vice President  
Activision  
Santa Monica, CA

Mr. Steven P. Maniglia  
Director, Engineering  
ADC Telecomms  
Nashua, NH

Mr. William Millward  
President & C.E.O.  
Addx Corporation  
Alexandria, VA

Ms. Diana Briganti  
Global Information Technology  
Affinion Group  
Trumbull, CT

Mr. Chris Carello  
Global Information Technology  
Affinion Group  
Trumbull, CT

Mr. Eugene L. Dieden  
Program Manager  
Affinion Group  
Trumbull, CT

Mr. Victor Fallas  
Global Information Technology  
Affinion Group  
Trumbull, CT

Mr. Chris O'Neill  
Global Information Technology  
Affinion Group  
Trumbull, CT

Ms. Elaine C. Soltani  
Vice President, Research & Development  
Alloy Surfaces Co., Inc.  
Chester Township, PA

Dr. Francisco M. De La Vega  
Scientific Fellow  
Applied Biosystems  
Foster City, CA

Dr. Eugene G. Spier  
Senior Director  
Applied Biosystems  
Foster City, CA

Mr. Matthew A. Considine  
Director, Process Innovation  
AthenaHealth  
Watertown, MA

Dr. Navid Keshavarz-Nia  
Senior Technical Manager  
BAE Systems  
Reston, VA

Dr. Lindon L. Lewis  
Chief Technologist, Defense Operations  
Ball Aerospace and Technologies Corporation  
Broomfield, CO

Mr. Muditha Weedagama  
Manager, Information Technology  
Banca Nazionale Del Lavoro  
New York, NY

Mr. George R. Nelson  
Assistant Vice President, Business Development  
Battelle  
Columbus, OH

Mr. Bruce Hagen  
Vice President, Information Systems  
Bemis Manufacturing Company  
Sheboygan Falls, WI

Mr. Rajesh H. Gidvani  
Chief Information Officer  
Bisys Private Equity  
New York, NY

Ms. Mandeep Maini  
Director, IT Project Management Delivery  
Blue Cross Blue Shield of MA  
Boston, MA

Mr. Tibor Purger  
Director, Web Technologies  
The Brookings Institution  
Washington, DC

Dr. Jake Reder  
Manager  
Cabot Corporation  
Billerica, MA

Mr. Andrew Eliopoulos  
Vice President, Research & Development  
Cadence Design Systems  
Hollis, NH

Mr. John W. Usherwood  
Manager, Web Services  
Caterpillar, Inc.  
Peoria, IL

Mr. Taimur H. Khan  
Senior Vice President, Sales  
CellExchange  
Brookline, MA

Dr. Yumi Nakagawa  
Senior Director, Research  
Chiron Corporation  
Emeryville, CA

Mr. Arvind Jangi  
Chief Information Officer  
CitiFinancial  
Baltimore, MD

Mr. Stephen Bouchard  
General Manager  
Continental Microwave & Tool Co., Inc.  
Exeter, NH

Mr. Marc Giroux  
Vice President & Director, Technology Delivery  
Corning, Inc.  
Corning, NY

Ms. Erin Boyer  
Director, Human Resources  
Dyax Corporation  
Cambridge, MA

Mr. Michael L. Elstien  
Business Continuity Solutions Integrator  
EMC Corporation  
Kinnelon, NJ

Ms. Elisabetta Pierantoni  
Spare Parts Manager  
G.D. Package Machinery, Inc.  
Bologna, Italy

Mr. Stephen Benson  
Vice President, Global Strategy  
GMAC Commercial Mortgage  
Horsham, PA

Dr. Wei Li  
Manager, Composite Tech. & Product Dev.  
Henkel Corporation  
Bay Point, CA

Mr. Gunter Gabriel  
Manager, e-Business Services  
Hilti Corporation  
Schaan, Liechtenstein

Dr. Greg H. Parlier  
Senior Systems Analyst  
IDA/SAIC  
Madison, AL

Mr. Alan Sunners  
Vice President, Technology  
Infonxx, Inc.  
Bethlehem, PA

Mr. Marc Rougee  
Vice President, World Wide Wafer Fab Ops.  
International Rectifier  
Temecula, CA

Mr. Mark T. Szkudlarek  
Director, Enterprise Infrastructure  
ITT  
White Plains, NY

Mr. Jaideep Jayaram  
Director, Research & Development  
The Jarden Consumer Solutions  
Milford, MA

Mr. Errol Kalayci  
Vice President, Operations  
Keith and Schnars, P.A.  
Fort Lauderdale, FL

Mr. Pasquale M. Cirullo  
Director, Information Systems  
L'Oreal USA  
New York, NY

Mr. Paul F. Hoover  
Vice President, Engineering  
L-3 Communications  
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Mr. Patrick Doering  
Vice President, Technology  
LMA, Inc.  
Ashland, MA

Mr. Dale Halverstadt  
Manager, Project Engineering  
Lorillard Tobacco Company  
Greensboro, NC

Dr. Sankar K. Mohan  
Director, Advanced Engineering  
Magna Powertrain  
East Syracuse, NY

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Michael Fox Photography  
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Mr. Edward F. Ruppel  
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Micrus Endovascular Corporation  
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Vice President & General Manager  
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MKS Instruments, Inc.  
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NAVTEQ, Inc.  
Chicago, IL

Ms. Ana M. Prieto  
Executive Director  
Novartis Institute for BioMedical Research  
Cambridge, MA

Mr. Luigi Pedalino  
Assistant Secretary  
Odyssey America Reinsurance  
Stamford, CT

Dr. Jeffrey S. Edmiston  
Research Scientist  
Philip Morris USA  
Richmond, VA

Dr. Kimberly Hodge-Bell  
Research Scientist  
Philip Morris USA  
Richmond, VA

Mr. Mohammad Raheel Kamal  
Director, Engineering  
QUALCOMM, Inc.  
San Diego, CA

Mr. Steven M. Davi  
Senior Vice President, Engineering  
SeaChange International  
Maynard, MA

Mr. Patrick C. Mackin  
Director, Administration  
Southwest Research Institute  
San Antonio, TX

Mr. Richard Singer  
Initiatives Manager  
Space Telescope Science Institute  
Baltimore, MD

Ms. Lisa Wolff  
Chief Information Officer  
Space Telescope Science Institute  
Baltimore, MD

Mr. Palmi Moller  
Vice President, Information Technology  
Stora Enso  
Wisconsin Rapids, WI

Dr. Deborah Milkowski  
Director  
TAP Pharmaceuticals  
Lake Forest, IL

Dr. Hans Stork  
Sr. V.P. & Chief Technology Officer  
Texas Instruments  
Dallas, TX

Mr. Edward J. Gettings  
Sr. V.P., Product Development & Operations  
Unicorn HRO  
Florham Park, NJ

Ms. Penny Olivi  
Senior Administrator, Radiology  
University of Maryland Medical Center  
Baltimore, MD

Mr. Robert M. Tibi  
Deputy Director, Western Region  
U.S. National Weather Service  
Salt Lake City, UT



Mr. Don Bohn  
Operating Analyst  
U.S. Navy Recruiting Command  
Millington, TN

Mr. Patrick Leduc  
Director, Information Technology  
Vermont Student Assistance Corporation  
Winooski, VT

Dr. Louane E. Hann  
Strategic Development Program Manager  
Wyeth BioPharma  
Andover, MA

Mr. Philip Menico  
Chief Technology Officer  
XTEND Communications  
New York, NY

Mr. Thomas A. Blankinship  
Vice President, IT  
Yazaki North America  
Canton, MI

MASSACHUSETTS INSTITUTE OF TECHNOLOGY  
Sloan School of Management

FUNDAMENTALS OF FINANCE FOR THE TECHNICAL EXECUTIVE  
March 23-24, 2006  
Hyatt Hotel, Cambridge, Massachusetts

Dirk Jenter, Assistant Professor of Finance, MIT Sloan School of Management  
Nittai K. Bergman, Assistant Professor of Finance, MIT Sloan School of Management

Program Agenda

Day 1

- 7:45 a.m. – 8:30 a.m. Registration and Continental Breakfast  
Ballroom
- 8:30 a.m. – 12:30 p.m. Introduction and Overview
- Basic Concepts of Finance
- Financial Statement analysis
  - Financial Forecasting
  - Sustainable Growth
- Case Study of Wilson Lumber and In-Class Group Work
- 12:30 p.m. – 1:30 p.m. Luncheon
- 1:30 p.m. – 3:00 p.m. Introduction to Project Evaluation
- Investment Evaluation Methods, Part 1
- 3:00 p.m. – 5:30 p.m. Investment Evaluation Exercise
- Application of Investment Evaluation Methods to Sample Technology Investments
- In-Class Group Work
- 5:30 p.m. – 6:30 p.m. Reception

Day 2

- 8:00 a.m. – 8:30 a.m. Continental Breakfast  
Ballroom
- 8:30 a.m. – 10:30 a.m. More on Project Evaluation
- Investment Evaluation Methods, Part 2
- 10:30 a.m. – 12:30 p.m. Project Evaluation
- Diamond Chemicals PLC
- Case Study and In-Class Group Work
- 12:30 p.m. – 1:30 p.m. Luncheon
- 1:30 p.m. – 3:45 p.m. Project Evaluation
- Genzyme/Geltex Pharmaceuticals Joint Venture
- Case Study and In-Class Group Work
- 3:45 p.m. – 4:00 p.m. Wrap-up
- 4:00 p.m. Summary and Adjournment