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:

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

5/8/2001
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 Laboro
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
Menlo Park, CA

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

Mr. Stephen P. Rappaport
Proprietary Trader/Research
Merrill Lynch
New York, NY

Mr. Michael Fox
Owner
Michael Fox Photography
Los Altos, CA

Mr. Keith M. Hinrichs
Principal Optical Engineer
MicroE Systems
Natick, MA

Mr. Edward F. Ruppel
Vice President, Technical Operations
Micrus Endovascular Corporation
San Jose, CA

Mr. Daniel Smith
Vice President & General Manager
MIVA
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Mr. Scott M. Benedict
Senior Manufacturing Engineer
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Mr. Markku August Montonen
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Helsinki, Finland

Mr. Rajiv Synghal
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NAVTEQ, Inc.
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Ms. Ana M. Prieto
Executive Director
Novartis Institute for BioMedical Research
Cambridge, MA

Mr. Luigi Pedalino
Assistant Secretary
Odyssey America Reinsurance
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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