DRMI Newsletter

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DRMI Program Mission

Established in 1965, DRMI’s mission is to enhance the effective allocation and use of scarce resources in modern defense organizations by developing participants’ analytical decision-making skills. DRMI faculty teach key concepts in management, economics and quantitative reasoning. In addition, the DRMI curriculum uses real-world cases in contexts that include contemporary issues.

Send Us Your News!

Get promoted? Change jobs? We want to hear from you! Stay connected with DRMI by sending us your news and making sure we have your current email address. When a new newsletter becomes available, we’ll send you an email with a newsletter link so you can keep in touch with your classmates and stay informed on the latest with DRMI. Send your news to drmiadmin@nps.edu.

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I write this column as I return home from an enjoyable week of work with several DRMI graduates and their colleagues in Tbilisi, Georgia. As I look out the window of this Boeing 747, I’m reminded of the many friends DRMI has across the country and around the world. It was at the invitation and recommendation of such friends that we were asked to participate in this excellent opportunity to apply what we teach. You can read more about this and other adventures of your DRMI faculty in the next pages of this newsletter.

I’d also like to pay special tribute to two long-time faculty retiring this year, Don Bonsper and Phil Costain. We will always be grateful for their valuable contributions and dedication to DRMI, and I am personally thankful for the education and guidance they provided me over nearly 25 years.

As we visit alumni on our assignments around the world, it is clear DRMI graduates share a common bond from their intense experience of a DRMI education. It is also clear we enjoy a common language and understanding of fundamental concepts and principles of defense resources management. The beauty is that the powerful conceptual foundation established at DRMI contributes to the development of the strong institutions necessary for well-functioning governments. In turn, more transparent, efficient and effective use of scarce government resources can increase security and stability and global confidence in a country. The net effect (continued on page 4)

Resident Programs

During the last quarter, DRMI graduated a total of 73 participants from 22 countries in three courses. The mix included participants from the US and Albania, Armenia, Bosnia and Herzegovina, Brazil, Colombia, Ghana, Jordan, Korea, Kosovo, Laos, Lebanon, Moldova, Mongolia, Nepal, Oman, Pakistan, Poland, Saudi Arabia, Sri Lanka, Tunisia, and Ukraine.

Budget Preparation, Execution and Accountability Course

DRMI faculty Professor CJ LaCivita, Associate Professors Diana Angelis (coordinator) and Natalie Webb, Lecturer Mark Hladky and LTC Mike Nixon presented the Budget Preparation, Execution, and Accountability (BPEA) course September 19-28 in Monterey. The course material covered principles and concepts for preparing and executing defense budgets. Topics included economic and cost principles necessary for budget preparation, quantifying and dealing with budget uncertainties, funds control and management, contracting issues, internal controls and performance management. The faculty used case studies, exercises and discussion sessions to illustrate concepts presented in lectures. Thirteen participants from five countries attended. Of particular interest to many participants was the opportunity to learn from shared experiences related to other countries’ budgeting processes. DRMI expects that participants will return home with new ideas on how to better use the budget as a powerful tool to ensure the best possible allocation of resources.

International Defense Resources Management Course 11-2

DRMI’s final resident course for 2011, the International Defense Management Course 11-2, began September 26 with 35 participants from 19 countries. The participants graduated on 9 December. During the week of 1-6 November, the sixth week of the 11-week course, the participants and several DRMI faculty and staff, led by Education Associate and Field Studies Program Manager Charlie Orsburn visited Washington DC. Highlights of the trip included time at the US 112th Congress, briefings from California Congressman Sam Farr and Neil Hedlund of the Defense Security Cooperation Agency, and special lectures on real world defense analyses presented by members of the Institute for Defense Analysis. The participants had ample free time to enjoy many historic sites and have expressed overwhelming satisfaction and gratitude for the trip. The IDMC graduates are now back home and working in their respective ministries of defense with a new set of analytical concepts and tools to help with the effective and efficient allocation of their defense resources.
Resident Programs (cont.)

Foreign Area Officers
Cultural Ambassador Program (FAO-CAP)

The Foreign Area Officers – Cultural Ambassador Program (FAO-CAP) continues to be an integral part of the DRMI Field Studies experience; 35 FAOs from the Naval Postgraduate School and Defense Language Institute, and all uniformed services, individually, and sometimes together, invited IDMC participants to their homes and to enjoy outings with them. These outings included a day trip to San Francisco and to various locations for the Thanksgiving holiday. Some of the cultural ambassadors joined DRMI in congratulating the IDMC 11-2 at their graduation luncheon on December 9, 2011.

Multi-Criteria Decision Making Course

The second Multi-Criteria Decision Making Course of 2011 opened with a welcome coffee reception on Tuesday, 11 October. Ten participants from Lebanon and the United States attended, including five alumni from other DRMI courses. The DRMI faculty team consisted of Associate Professors Diana Angelis, Eva Regnier, and Anke Richter, Professors Kent Wall, CJ LaCivita and James Morris, and Assistant Professor Jay Simon (coordinator). The MCDM course material follows a structured approach developed by DRMI faculty to support decision makers in defense organizations. A highlight of the course was a guest lecture presented by the lead Army analyst for the most recent round of the Base Realignment and Closure process. The course concluded with the participants making project presentations that have direct relevance to their parent organizations. The participants graduated on 21 October and returned home with an analytical framework to help with situations involving multiple and usually conflicting objectives.

Mobile Programs

DRMI’s Second Mobile Course in the Democratic Republic of Congo

Associate Professor Jonathan Lipow and Senior Lecturer Allan Polley conducted a mobile course for members of the 2d Military District of the Democratic Republic of Congo in Matadi, Congo, 5-9 September 2011. This course—DRMI’s second in Congo—was delayed due to various diplomatic difficulties and impediments, and we hope the opportunity to return will occur in less than the 27 months it took from the first course to the second. Applying marginal reasoning (as we like to do at DRMI), it was clear to us that efforts undertaken in Congo produce relatively big results. Restated—the bang for the buck in Congo is huge!

DRMI Plows New Ground with Human Resources Course in Jordan

DRMI Professor Jim Morris, Assistant Professors Jomana Amara and Laura Armey and Senior Lecturer Steve Hurst traveled to Amman, Jordan to conduct the Institute’s first Human Resources Management Course 19-30 September. The Director of Training for the Jordanian Armed Forces (JAF) sponsored the course with a primary goal of introducing a large segment of the JAF to international best practices in human resources management. The DRMI team worked with 27 officers—24 Army, two Navy, one Air Force—covering a wide range of topics using a lecture and small group discussion format. At press time, Assistant Professor Jomana Amara, Associate Professor Jonathan Lipow, Senior Lecturer Steve Hurst and LTC Mike Nixon had returned from conducting another course that began 4 December and concluded 15 December. The JAF has indicated a desire for possibly three more courses in 2012, in which DRMI expects to see more representation from the Jordanian Navy and Air Force.
Musings from Francois Melese (cont.)

of security and strong institutions is to attract foreign direct investment (FDI). Economists agree that FDI is a key to reducing poverty and increasing economic development. Another valuable benefit of FDI has recently come to light. Empirical studies suggest the possibility of an “FDI peace.” The more investment countries receive and send to each other, and the more open they are to capital flows, the less likely they are to be involved in militarized disputes. In a pioneering empirical study, Erik Gartzke (a professor at New York’s Columbia University) first introduced the concept of a “capitalist peace.” Whereas the notion of a “democratic peace” has been a major motivation behind U.S. foreign policy, Brooks (2005), Gartzke (2007) and others have since provided convincing evidence that economic globalization and openness to foreign capital flows increase the odds of peace. So consider three hypotheses:

1. When DRMI graduates apply what they learn, they increase security and strengthen government institutions.
2. Countries with strong institutions tend to attract more FDI.
3. FDI contributes to fewer militarized interstate disputes.

If we accept these hypotheses, then DRMI contributes both directly and indirectly to peace in the world. That is my wish for 2012.

Happy New Year!


Mobile Programs (cont.)

Melese and McNab Work in Bosnia-Herzegovina

Professor Francois Melese, Executive Director of DRMI, delivered a series of talks to the Joint Parliamentary Committee for Defense and Security of Bosnia-Herzegovina. The “Building Integrity in Defense Acquisition (BIDA) Workshop” was conducted 15-16 September 2011 at the Peace Support Operations Training Centre (PSOTC) in Sarajevo. Dr. Melese was joined by Mr. Mark Dankel, a consultant with the National Security Institute at the Naval Postgraduate School. The audience was made up of members of Parliament and their staff, and included Ms. Marina Pendas, Deputy Minister of Defense (and a DRMI graduate), and Ms. Dusanka Majkic, Chair of the Parliamentary Committee. This workshop was part of an initiative of two NATO-designated Partnership for Peace (PfP) Training and Education Centres (PTCs): the Bosnia and Herzegovina (BiH) Peace Support Operations Training Centre (PSOTC) and the United States Naval Postgraduate School (the United States PFP Training and Education Center or USPTC). During the following week, as a result of Dr. Melese’s talks, Associate Professor Robert McNab met with Mr. Zeljko Grubesic, the chief of staff to the Joint Committee, to discuss the Joint Committee’s desire for more educational programs. DRMI faculty look forward to working with key representatives from the Ministry of Defense, Ministry of Security, Ministry of Finance, and Treasury for an additional workshop, and to assist the committee in building institutional capacity to conduct oversight of the Ministry of Defense.

McNab Travels to Bosnia and Herzegovina in Support of Partnership for Peace

Associate Professor Robert McNab traveled to Bosnia in support of the U.S. Partnership for Peace Training Center (a NATO designation) in September 2011. Dr. McNab discussed techniques for budgeting for the disposal for excess assets, to include weaponry and bases. Dr. McNab also discussed the role of the Parliament in the oversight of defense expenditures with staff of the Bosnian Parliament.

DRMI Conducts its First Mobile Course in Armenia

In support of the European Command (EUCOM) and the Office of Defense Cooperation (ODC) engagement plan in the area of defense reform, DRMI taught 22 participants on topics ranging from program budgeting to decision making to multi-year costing from 3 to 14 October in Yerevan, Armenia. Participants included members of the Armenia Ministry of Defense, Ministry of Policy, Ministry of Territorial Administration, National Security Council, and General Staff. DRMI faculty Associate Professor Robert McNab, Assistant Professor Ryan Sullivan and Lecturer Luis Morales delivered the course. This was the first DRMI mobile course in Armenia and is expected to be followed by another course in February 2012. The MoD is asking for a specialized course on public budgeting for members of its defense financial management and planning staff. All of these efforts should help Armenia move forward in the area of defense reform.

Angelis Works with Colombian MoD

Associate Professor Diana Angelis joined a team of budgeting and logistics experts to visit the Colombian Ministry of Defense in Bogota from 25-30 September. The visit, organized under the Defense Institution Reform Initiative (DIRI), will assist Colombia in developing accountable, professional, and transparent defense establishments that can manage, sustain, and employ their forces and the capabilities developed through U.S. security cooperation programs. The purpose of this specific visit was to discuss budgeting and logistics processes with MOD leaders. Dr. Angelis worked with the Colombians on developing a capabilities-based planning (CBP) process and capacity. She also
helped plan and develop a workshop on CBP that was held in Bogota in November. Both efforts should lead to a better connection between required capabilities and the resources needed to make them real.

Webb and Bonsper support DIRI Workshop in Peru, 7-9 November

DRMI faculty Associate Professor Natalie Webb and Senior Lecturer Don Bonsper joined Dr. Lis Wright (International Defense Acquisition Resource Management Program, IDARM) and MGén (Ret.) Richard Goetze, USAF to conduct two three-day workshops in Lima as part of the DIRI. DRMI’s faculty ran their 3rd workshop on performance budgeting, working with participants from the three military services, joint command, and various offices from the Peruvian Ministry of Defense to try and connect defense spending with clearly defined goals and objectives. Dr. Wright provided valuable assistance to help Peru establish a centralized, joint agency for acquiring common items and major weapons systems. General Goetze served as the team leader and had off-line meetings with host country and embassy officials in support of the US-Peru bilateral relationship. The team departed having left a clear roadmap for the way forward and expects to return in March to continue this important effort.

Melese and LaCivita Conduct Program Budgeting Workshop in Georgia

DRMI’s Executive Director, Professor Francois Melese, and Professor CJ LaCivita conducted a one-week workshop on program budgeting at the Ministry of Defense of Georgia in Tbilisi 28 November - 2 December. The workshop is part of the U.S. Department of Defense’s Georgia Fresh Look program and resulted from a visit Dr. LaCivita made to Tbilisi 8-9 September with Dr. Lis Wright of IDARM, the Fresh Look team lead for resources management. The 12 participants included representatives of the PPBS and Planning Divisions, the Budget Section of the Financial Management Division of the MoD, the J-4, and the G-5 of the Land Forces Command, the National Defense Academy and the Budget Office of the Parliament of Georgia. Four of the participants were graduates of a DRMI resident course in Monterey. The workshop supported the MoD’s efforts to install a program budgeting (PPB) system and focused on building a program structure for Georgia based on Georgia’s national security and military strategies. A follow-on workshop for department heads and deputy ministers is tentatively scheduled for February of 2012 at the National Defense Academy in Gori. While in Tbilisi, Drs. Melese and LaCivita had the opportunity to meet with Mr. Andro Barnovi, Deputy Minister of Defense and graduate of the Naval Post-graduate School.

Hladky Supports IDARM in Egypt

Lecturer Mark Hladky traveled to Cairo, Egypt from December 2-9 to assist the IDARM program in conducting a course for the Egyptian Armaments Authority. The two-week course provided tools and techniques for conducting a thorough analysis of proposed and realized contract costs and the negotiation of armaments contracts. Mark’s contribution was in the first week of the course, which focused on an understanding of the nature of contract costs, their distribution and the considerations in allowing costs to be recovered in armaments contracts. The course emphasized the types of costs, common and unique cost elements, methodologies for accounting for costs and recovery of costs and examined cost analysis through the perspectives of both the supplier and the buyer. Participants in the course will return to their organizations with a much better understanding of the role that cost plays in the acquisition process.

Research and Publications

Recent Faculty Publications

Assistant Professor Jason Hansen recently had a paper accepted for publication that explores the social benefit from optimal groundwater pumping. See Hansen, J.K. (In press.) “On the Economics of Optimal Urban Groundwater Management in the Desert Southwest” Hydrogeology Journal.

Associate Professor Anke Richter and Sinan Khan, Epidemiologist for the Los Angeles County Department of Public Health (and Dr. Richter’s former master’s student from the Center for Homeland Defense and Security) have a paper in press. The paper, “Dispensing mass prophylaxis—The search for the perfect solution,” will appear in the Homeland Security Affairs Journal in January.

Assistant Professor Jay Simon and DRMI Executive Director Francois Melese published a paper entitled, “A Multi-attribute Sealed-Bid Procurement Auction with Multiple Budgets for Government Vendor Selection” in Decision Analysis 8(3) 170-179. Assistant Professor Jay Simon and coauthor Dr. Jeffery Guyse of Cal Poly Pomona published a paper entitled “Consistency among Elicitation Techniques for Intertemporal Choice: A Within-Subjects Investigation of the Anomalies” in Decision Analysis 8(3) 233-246.

DRMI Faculty Participate in Conferences

Professor Kent Wall, Associate Professor Eva Regnier, and Assistant Professor Jay Simon attended the Institute for Operations Research and the Management Sciences (INFORMS) Annual Meeting 13-16 November in Charlotte, NC. Dr. Simon presented a paper on multi-
attribute procurement auctions with multiple budgets, which he co-authored with DRMI Executive Director Francois Melese. Dr. Regnier, the president of the INFORMS Forum on Women in Operations Research and the Management Sciences (WORMS), emceed the WORMS luncheon and chaired a “Best of WORMS” session highlighting influential recent research by WORMS members.

Assistant Professor Jason Hansen presented co-authored research at the 47th Annual Water Resources Conference, held this year in Albuquerque, New Mexico. He and Professor Janie Chermak of the University of New Mexico are working on research titled, “Living Within our Means: The Case of Population Growth and Economic Development under Scarce Water Resources.” Drs. Hansen and Chermak investigate optimal economic development in the presence of water scarcity.

**DRMI Faculty Review for Journals**

Assistant Professor Jason Hansen reviewed a journal article for *Water Resources Research* and two articles for the *Hydrogeology Journal*.

Associate Professor Natalie Webb reviewed articles for *Nonprofit and Voluntary Sector Quarterly* and *Nonprofit Management and Leadership*.

**Senior Lecturers Phil Costain and Don Bonsper Retire**

Senior Lecturers Phil Costain and Don Bonsper retired at the end of 2011. Phil joined the DRMI faculty in 1979 while on active duty with the US Army. Upon retirement from the Army in 1983 he worked briefly at the Scientific Support Lab at CDEC, Fort Ord, CA. He rejoined DRMI as a civilian faculty member in 1984. During the next 27 years Phil's teaching focused mostly in the area of operations research with special emphasis on probability and statistics. He also took on the additional duty of managing the Institute's course materials, a task that never ended and was always in a state of change.

Don also joined the faculty while on active duty with the Marine Corps in 1982. He retired in 1985 and was able to immediately join the faculty as a civilian lecturer. During the next 26 years Don's teaching combined his operations research background and newly learned interest in defense planning and budgeting. He also served as the Institute's international programs coordinator and marketing point of contact for many years.

Both Phil and Don intend to stay in the Monterey area initially. Phil expects to spend a lot of time in Argentina, and Don hopes to continue some part time work with DRMI as a contractor. DRMI thanks both men for their long dedicated service to the Institute and wishes them the very best in the future.

See also, Navy Superior Civilian Service Award announcements for Don and Phil respectively on pages 7 & 8.

**Research Associate Kathleen Bailey Says Farewell**

Ms. Kathleen Bailey began working at DRMI in June of 2004 while a student at Monterey Institute of International Studies. During her first year, she worked as an intern for Associate Professor Robert McNab. Ms. Bailey continued to work for DRMI doing research on a part-time basis until finishing her MA in International Environmental Policy in May of 2005. Following graduation, Ms. Bailey began working full-time at DRMI as a research associate and entered the National Security Affairs MA program in Regional Security Studies, with an emphasis on the Western Hemisphere. Her thesis, advised by Drs. McNab and Chris Twomey (NSA) focuses on determining whether the Sino-Brazilian economic relationship has impacted the way in which Brazil votes in the United Nations General Assembly; she graduated on 16 December 2011.

While at DRMI, Ms. Bailey’s research has focused on a number of topics, to include: neoliberal economic reform, environmental security, post-conflict reconstruction, budgeting and strategy for homeland security, counter-insurgency warfare, corruption, irregular warfare, fiscal decentralization, and Latin American security. Ms. Bailey also took the initiative to help transform the quarterly departmental newsletter, using...
Faculty and Staff News (cont.)

professional design software, into a more valuable marketing tool. Among Ms. Bailey’s other accomplishments at DRMI is her work on over 20 publications, two of which she co-authored with Dr. McNab, and seven funded research projects.

Ms. Bailey left DRMI at the end of December, and she enthusiastically looks forward to her next challenge. She is tremendously grateful to have served as part of DRMI for such a long time and will miss her wonderful colleagues, many of whom have become true friends over the course of her time at the Institute. Ms. Bailey, of course, will always be a Drmeician at heart.

DRMI Faculty Help Form and Run New Academic Center through GPPAG

Associate Professor Mie Augier (Global Public Policy Academic Group) and Associate Professor Robert McNab recently formed the Center for New Security Economics and Net Assessment (CNSE). CNSE aims to broaden the conversation about globalization and national security through interdisciplinary research. CNSE recently hosted a seminar on climate change, economic change, and national security that is the basis for a research manuscript on the same topic. The faculty of CNSE, which include Professors CJ LaCivita and Francois Melese, and Associate Professor Natalie Webb, look forward to hosting more events on challenges in security economics in 2012.

DRMI Faculty Support NPS Courses

Professor CJ LaCivita taught GB4071, Economic Analysis and Defense Resource Allocation, in the Graduate School of Business and Public Policy at NPS the fall quarter. As the course title implies, it focuses on the same concepts and ideas that are the foundation of DRMI courses, particularly cost-benefit and cost-effectiveness analysis. The 32 students in the course represented all four U.S. military services, Germany and Singapore.

Associate Professor Robert McNab taught in the Global Public Policy Academic Group (GPPAG) graduate certificate program in the fall 2011 academic quarter. Dr. McNab is also scheduled to teach for GPPAG in the winter and the National Security Affairs department in the spring in addition to his duties at DRMI.

DRMI Faculty Attend Defense Institutional Reform Initiative Workshop

Executive Director Francois Melese, Professor CJ LaCivita, Associate Professors Robert McNab and Natalie Webb, and Senior Lecturer Al Polley attended a two-day workshop on resources management sponsored by the DIRI at NPS in November 2011. The DIRI workshop addressed the question of what is best practice in the area of public financial management in defense institutions, providing examples of reform in conflict countries. The workshop serves as the first step in codifying knowledge on best practices, and future workshops look to expand on these concepts.

Regnier Returns to DRMI

Associate Professor Eva Regnier returns to DRMI in January 2012 after spending two years visiting the NPS Operations Research Department. There she was funded by the Office of Naval Research to continue her research on using weather information to support decisions. One of her students, LT Leslie Slootmaker, won the March 2011 MORS Tisdale award for her work helping develop the pirate tactics model in the Navy’s Pirate Attack Risk Surface (http://news.discovery.com/tech/anti-pirate-software-navy-110523.html) that predicts the day-to-day geographic distribution of the pirate threat.

Dr. Regnier was also funded by the NPS Acquisition Research Program to develop a new approach to estimating the cost and total fuel requirements associated with warfighter fuel consumption in the DoD, to help estimate the fully burdened cost of fuel (FBCF) (http://www.acquisitionresearch.net/_beta/files/FY2011/NPS-AM-11-C8P15R03-057.pdf). The 2009 Duncan Hunter Defense Authorization Act requires the DoD to use the FBCF in acquisition decision making. Welcome back, Eva!

Seifert Consults with Congressional Research Service

LCDR Anthony Seifert consulted with the Congressional Research Service regarding their recent report “Military Retirement Reform: A Review of Proposals and Options for Congress,” which was published Nov 17 of this year. The report will be a key input as Congress considers various changes to the military retirement system.

Simon Named Associate Editor

Assistant Professor Jay Simon was named an associate editor for Decision Analysis, beginning January 2012.

Navy Superior Civilian Service Award to: Donald E. Bonsper

For service set forth in the following Citation:

For superior civilian service as a faculty member of the Defense Resources Management Institute (DRMI) at the Naval Postgraduate School (NPS) from September 1985 to December 2011. During this time, Senior Lecturer Donald (Don) E. Bonsper performed expertly as a faculty member and as the International Programs Coordinator of the Defense Resources Management Institute.

Don Bonsper joined the faculty of the Defense Resources Management Education Center (DRMEC) as a military instructor in 1982 while on active duty in the U.S. Marine Corps. After retirement, Don joined the DRMEC civilian faculty as an adjunct professor of management. In 1993, he was appointed as a senior lecturer at the Defense Resources Management Institute (DRMI), the successor to the DRMEC.
Award to Don Bonsper (cont.)

Don has played an integral and wide-ranging role in furthering DRMI's mission and maintaining its standards. In his role as a teacher, Don has taught innumerable courses both in the United States and in many foreign countries, and he is invariably cited by course participants for the unique value and clarity of his teaching. His teaching excellence has been recognized by both course participants and by his colleagues. In 2001 he received the Naval Postgraduate School's Rear Admiral John Jay Schieffelin Award for Excellence in Teaching, and in 2002 he received the Community Foundation for Monterey County's Allen Griffin Award for Excellence in Teaching.

Don has also made major contributions to the development of DRMI curricula, starting with the International Defense Management Applications Course in 1986 that led to a significant change in how all DRMI courses are conducted. In addition to teaching, Don has contributed greatly through his outstanding work as coordinator of DRMI's international programs. In this capacity, Don developed a widespread network of contacts in the US military, the Department of State, and in foreign military organizations; he planned and managed the execution of DRMI courses in foreign countries and dealt with the complicated bureaucratic and budgetary details engendered by these foreign course offerings.

Perhaps no one at DRMI is as responsible as Don for assuring that the Institute's efforts are consistent with the letter and spirit of America's national strategy. Don regularly and carefully reviews executive branch documents like the NSS, NDS, and QDR—noting changes and assessing the degree to which DRMI is playing its role in furthering US national security goals. As such, he has played a critical role at DRMI in terms of keeping the Institute's efforts “on message.”

By his superior leadership, unique and honest professionalism and unwavering enthusiasm for the Navy and his country, Donald E. Bonsper reflected great credit upon himself and upheld the highest traditions of the United States Naval Service.

Navy Superior Civilian Service Award to: Phillip A. Costain

For service set forth in the following

Citation:

For superior civilian service as a faculty member of the Defense Resources Management Institute (DRMI) at the Naval Postgraduate School (NPS) from November 1983 to December 2011. During this time, Senior Lecturer Phillip (Phil) A. Costain performed superbly as a faculty member and as the Academic Materials Coordinator of the Defense Resources Management Institute.

Phil Costain joined the faculty of the Defense Resources Management Education Center (DRMEC) as a military instructor in 1979 while on active duty in the U.S. Army. During his tenure, Phil has distinguished himself—both as a teacher and as a manager. As a teacher, Phil is widely admired for his exceptional rapport with students, his ability to exploit “one-on-one” interactions with course participants as learning opportunities, and his exceptional patience and warmth—something that has proven critical in maintaining the morale of both DRMI course participants and often, its faculty.

In his more than 32 years at the Institute, Phil held a number of managerial positions and has excelled at all of them. Soon after his arrival in Monterey as a military instructor, he was named the program manager of the DRMI’s nascent mobile education effort and then as the program manager for the resident Defense Resources Management Course, a mainstay of the Institute. Under Phil’s care, these programs grew into the backbone for much of DRMI’s curricula. For the last fifteen years, he has been the DRMI Academic Materials Coordinator. In this position he has expertly managed all of the materials used, in dozens of languages and for varying purposes, in all DRMI courses. Probably no faculty at DRMI has ever had the command of the linkages among lecture points, course problems, case studies, material development and participant involvement as Phil has had over the past years.

As a result of his exceptional classroom performance, personality, and his service record as a US Army officer, Phil commands considerable moral authority at DRMI. Phil generously makes himself available to faculty, staff and participants alike, systematically and carefully explaining the logic behind teaching points or materials. All DRMI faculty have benefitted by Phil’s counsel, and he has played an important role in faculty development and mentorship, particularly with respect to the active duty officers who have been assigned to DRMI faculty.

By his outstanding leadership, polished professionalism and dedicated passion for the Navy and his country, Phillip A. Costain reflected great credit upon himself and upheld the highest traditions of the United States Naval Service.

Participant News

Rear Admiral Heinrich of SIDMC 2009 Assumes New Command

Rear Adm. Mark Heinrich relieved Rear Adm. Mike Lyden as Commander, Naval Supply Systems Command (NAVSUP) and Chief of Supply Corps, during a change of command and retirement ceremony at the Naval Support Activity, Mechanicsburg, PA, July 22.

“There is no one better suited than you to take up this awesome responsibility to lead NAVSUP and the entire Supply Corps at such a critical juncture in our nation’s history,” Chief of Naval Operations Adm. Gary Roughead said to Heinrich during his keynote address.

“I am committed to focusing on the Fleet, so the Navy can deliver combat capability that is persistent, resilient, and global, as well as build the Fleet of the future, and take care of our people in order to help secure our nation, and the freedoms we enjoy,” Heinrich said.
### Future Course Dates

**Tentative Resident Course Schedule For 2012**

- **9 Jan - 3 Feb**  
  Defense Resources Management Course

- **6 Feb - 10 Feb**  
  Performance Management and Budgeting

- **6 Feb – 18 Apr**  
  International Defense Management Course

- **21 Mar - 30 Mar**  
  Budget Preparation, Execution and Accountability Course

- **2 Apr - 6 Apr**  
  Performance Management and Budgeting

- **9 Apr - 20 Apr**  
  Risk Management Course

- **23 Apr – 17 May**  
  Defense Resources Management Course

- **21 May – 15 Jun**  
  Defense Resources Management Course

- **25 Jun – 20 Jul**  
  43rd Senior Defense Management Course

- **23 Jul – 16 Aug**  
  Defense Resources Management Course

- **20 Aug - 31 Aug**  
  Multiple Criteria Decision Making Course

- **20 Aug – 14 Sep**  
  Defense Resources Management Course

- **17 Sep - 26 Sep**  
  Budget Preparation, Execution and Accountability Course

- **24 Sep – 7 Dec**  
  International Defense Management Course

- **22 Oct – 2 Nov**  
  Multiple Criteria Decision Making Course

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### Participant News (cont.)

DRMI wishes Mark the very best in this new, important challenge.

#### IDMC 10-2 Graduate Plays Key Role

After graduating from IDMC 10-2 in the fall of 2010, LTC Milorad Rodic returned home to continue working in the Material Resource Sector, Defensive Technology Department of the Serbian MoD (in a group that works on military international cooperation on military-economy and military-technical issues). He writes, “I can tell you that in my daily work the IDMC course helps me and my colleagues in planning expenses for activities of military international cooperation, especially during annual planning.” Additionally, Milorad has worked as a point of contact with NPS organizing and coordinating in-country events with the Center for Civil Military Relations and International Defense Acquisition Resources Management Program. He is already planning events for 2012.

On the personal side, Milorad and his wife have a new baby boy, Stevan, who joins his two older brothers. Congratulations Milorad and best of luck in the future.

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### Join Us On Facebook

Share your experiences and photos with other DRMI students and professionals. Facebook is user-friendly and it is easy to create an account. To find DRMI on Facebook, search for “DRMI Courses” and click on the button. It would be extremely helpful if past participants would include a message indicating when they attended DRMI when sending the friend request. At the last count, DRMI had over 275 friends. Will you be our next?
Recent DRMI Graduates

DRMI congratulates all the recent graduates!

Class Photo: MCDM 12-1

Class Photo: BPEA 11-1
Recent DRMI Graduates (cont.)

Class Photo: IDMC 11-2