



# **An Overview of the Cost Analysis Improvement Group**

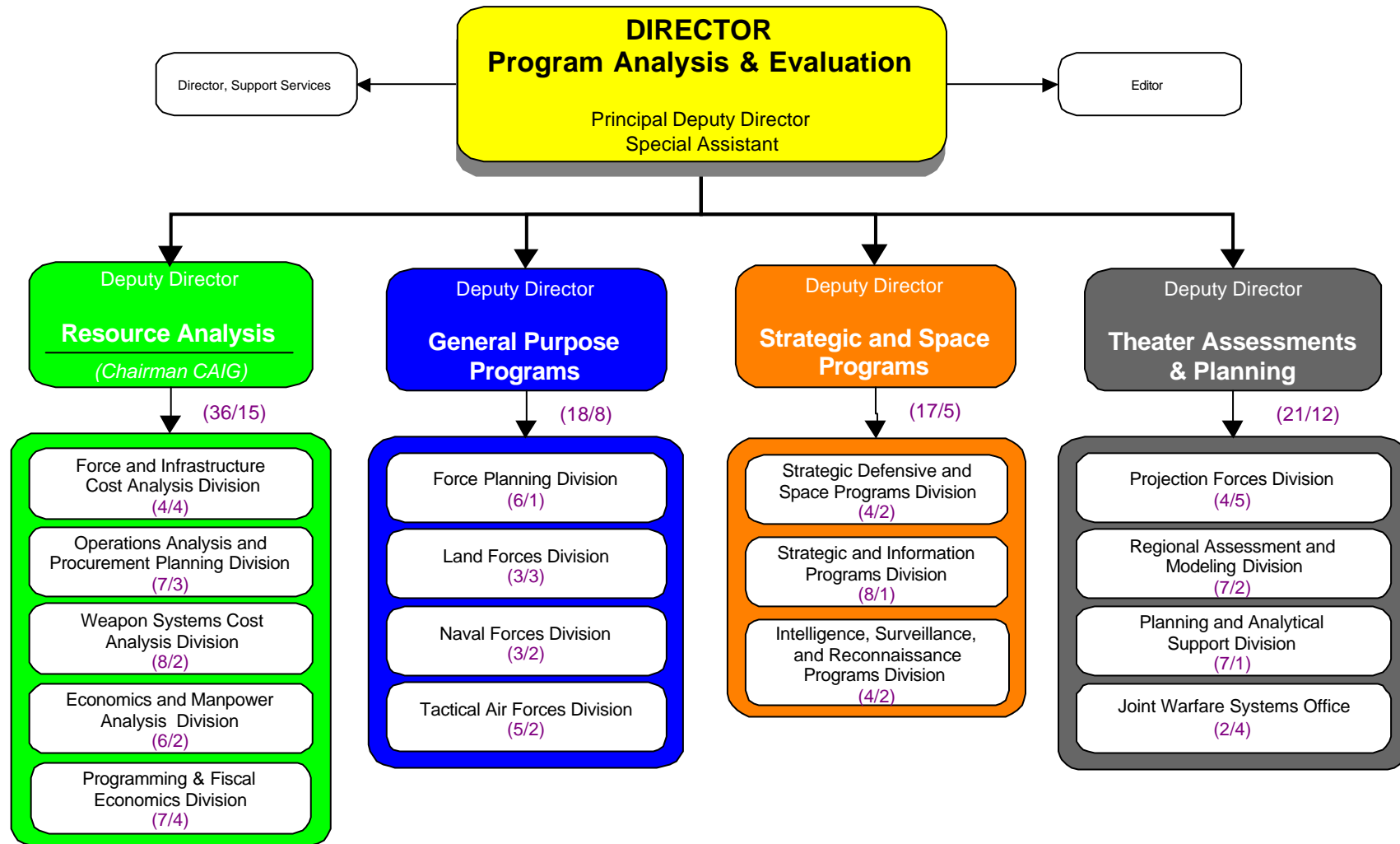
**Russell Vogel,  
Executive Secretary  
Cost Analysis Improvement Group  
June 14, 2002**

# CAIG Evolution

- Secretary Laird establishes the Cost Analysis Improvement Group in January 1972.
- In September 1983, the Congress, by statute, requires independent cost estimates (ICE) at Milestones II and III.
  - Much of the work done by service cost centers
  - CAIG reviewed, estimated key elements
- DoDIG report in 1992 results in:
  - Articulation of CAIG responsibility for preparing ICE
  - Sharp increase in size of CAIG
  - Analysis/reports provided directly to Defense Acquisition Executive

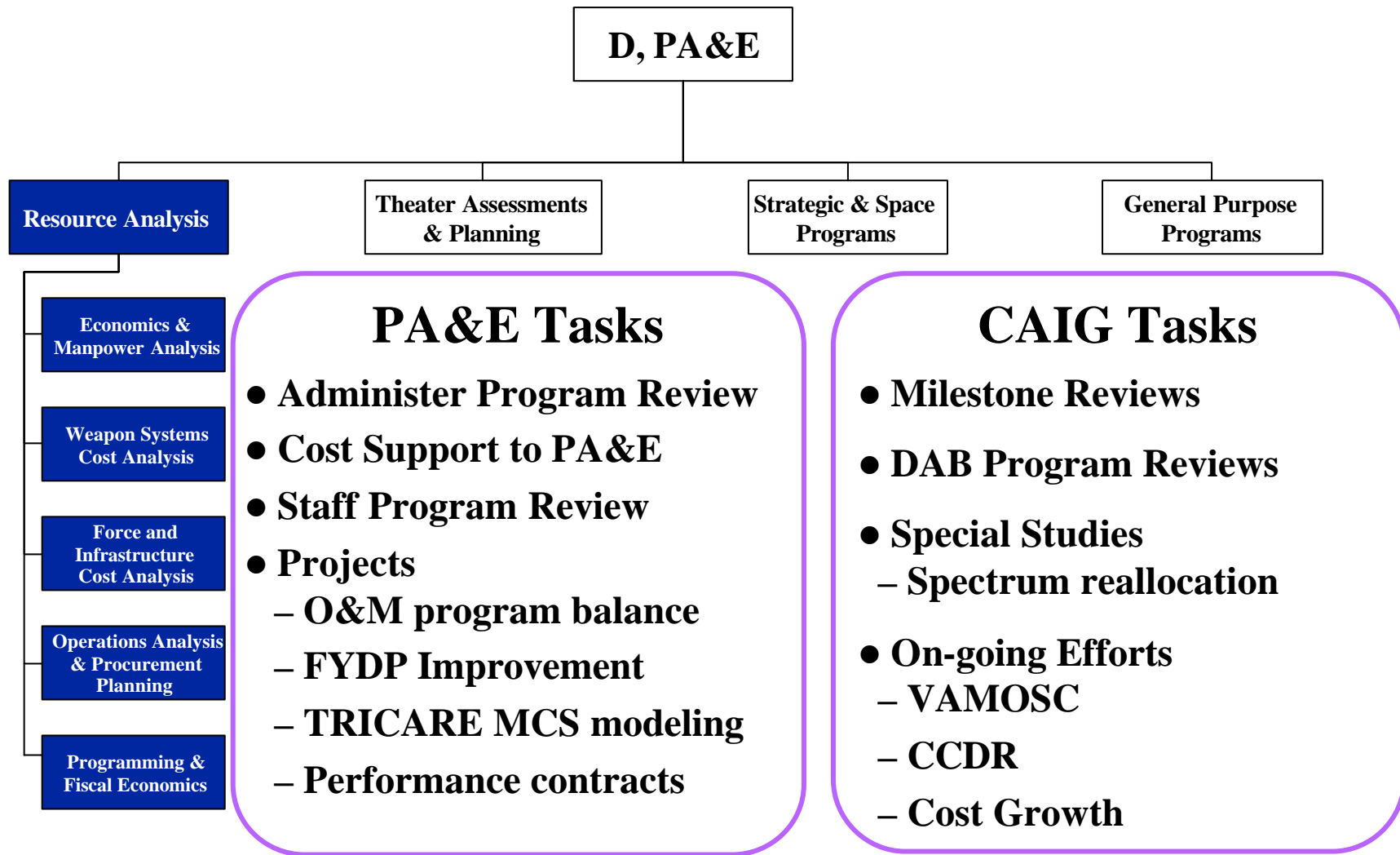
The CAIG was a good idea not fully implemented until 1992.

# Office of the Director, Program Analysis & Evaluation

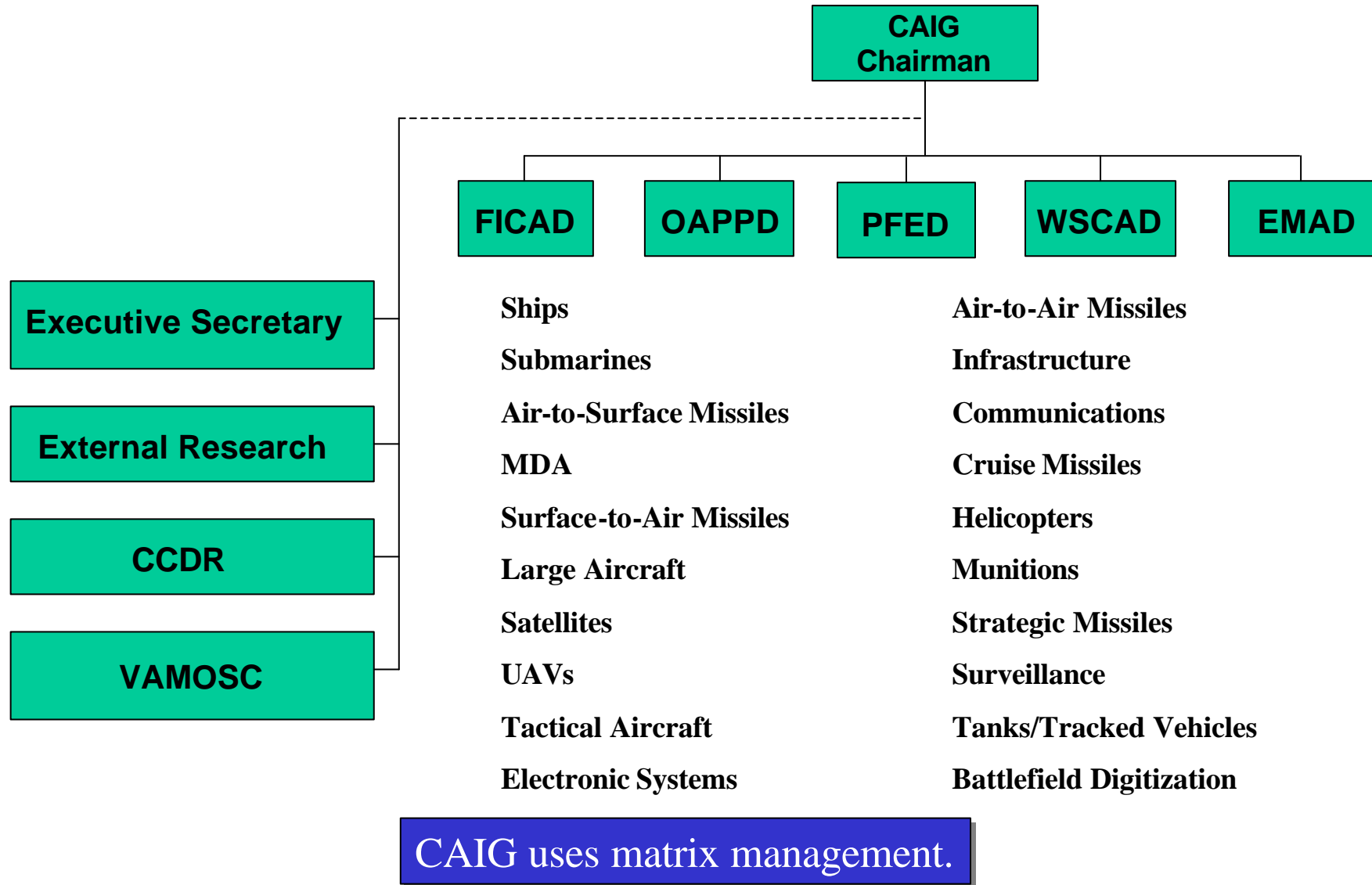


**Personnel Legend:** (Civilian SES & Analysts / Military Officers)

# Resource Analysis and CAIG Tasks



# OSD CAIG Organization



# OSD CAIG Organization



CAIG Slots in Bold

# CAIG Statistics

- 29 analysts available for CAIG projects
- 14 analysts qualified to lead CAIG projects
- About 25-30 CAIG estimates per year
- 1 to 5 analysts per estimate
- Average time commitment per cost estimate
  - 6 calendar months
  - 8 to 10 man-months of effort
    - 4 man-months for lead
    - 4 to 6 man-months for others combined
- About 7 man-years in: CCDCR, library, Annual Cost Analysis Symposium, VAMOSOC, cost research

# CAIG Products other than Estimates

- Cost research
  - CAIG/IDA annual Cost Research Symposium
  - sponsored research
- Training: Annual DoD Cost Analysis Symposium
- Data and analytic resources
  - Contractor Cost Data Report (CCDR)
  - Visibility and Management of O&S Costs (VAMOSOC)
  - CAIG Library
- Eighteen-month forecasts of upcoming MDAP reviews

