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Miles Value Foundation

## 2008 - 2009 ANNUAL REPORT

### SAVE 50<sup>TH</sup> YEAR COMMEMORATIVE BOOK

The Foundation Chaired the effort to research the history of SAVE for presentation of SAVE International's 50 year commemorative book at their 2009 annual conference in Detroit. Our Chairman, Mary Ann Lewis was the point person for this effort and worked directly with the writer. Our President, Donald Parker put together an Excel spreadsheet of history of SAVE and the Foundation in functional categories for the project.

### BEST PAPER AWARDS

This year the Foundation initiated a program to provide best paper awards published each year for practitioners and academia. For 2008, the Foundation presented \$500 awards to:

Practitioner Award - Jim Vickers, Karen Gawron, Connie Cobo from Raytheon for their paper titled:  
*"A Systems Engineering Approach to Value Engineering Change Proposals"*

Academia Award - Dr. Mei-Yung Leung from the City University of Hong Kong for her paper titled:  
*"Development of an Integrated E-Learning Centre for Construction Value Management"*

The Foundation expects to continue granting these Best Paper awards each year.

### CARBON PROJECT

The Foundation held its first forum at the 2008 SAVE International conference as an information phase on the subject of "carbon" as it relates to its potential application to value methodology. The amount of carbon used in an endeavor of any type can be studied for value improvement. It can be considered a resource just as dollars, time, energy, materials and labor are resources.

As a result of our forum, Dr. Leung is conducting research on the subject at her University and will present a report on her findings at a future conference.

### NEW LEGACY PRODUCTION NOW AVAILABLE

For those who want to present a short history of Larry Miles and his legacy of the value methodology the Foundation has just released a 9 minute color power point narrated presentation with music. This is available on a self-starting CD from the Foundation. It is also our intent to make it available for viewing on our web site.

The narration recording and post production was professionally done by Chris Murphy with RHLAudio.com. This is excellent for Executive Seminar and Workshop use.

## **MVF WEB SITE**

During the year Xiaochun Luo, a full time doctoral student of Dr. Shen at Hong Kong Polytechnic University, undertook a major volunteer task to reprogram and modernize the Foundation web site.

Xiaochun is in his second year of his research work focusing on using a technique of artificial intelligence to facilitate the architectural programming process.

## **PARTNERSHIP WITH PURDUE UNIVERSITY**

Board member Geoffrey Shen put the Foundation in touch with Dr. Jon Harbor, Associate Vice President for Research and Interim Dean of the College of Sciences at Purdue University; and, Dr. George Hong, Associate Vice Chancellor for Research and Professional Development at Purdue University Calumet.

As a result, the Foundation was invited to participate in their International Forum on Sustainable Urbanization, to be hosted this fall by Purdue University, where 60 research scholars will participate. Our presentation at the Forum includes three topics:

1. What is the Miles Value Foundation?
2. What is value methodology?
3. The concept of the carbon value index and the need for research.

The Foundation's goal is to obtain an agreement to partner with Purdue and seek a Federal grant for this research.

The original Foundation plan called for 4 Universities to be involved in this research because of the magnitude of the effort. To effectively cover a majority of the carbon problem we proposed a project to cover the acronym **THEM** which stands for Transportation, Housing, Energy and Manufacturing.

Because Purdue is focused on Sustainable Urbanization the Foundation will steer them in the direction of carbon research on building products. A second area for Purdue could be carbon research on automobiles because they are near Detroit.

Anyone reading this report is invited to make a connection for the Foundation at another University for research on one of the **THEM** aspects of the carbon issue. There is enough opportunity for all.

## **FEDERAL GOVERNMENT TRAINING PROJECT**

The Foundation has submitted a formal plan to President Obama to provide technical assistance to the Federal Government in teaching value engineering to its employees in order to maximize its application to conserve and protect taxpayer resources entrusted to the Government's use.

This is in support of OMB Circular No. A-131 to ensure that systematic VE improvements are achieved throughout the Federal Government. The Circular requires that all agencies "shall, at a minimum, designate a senior management official to monitor and coordinate agency VE efforts." In addition, the Circular sets forth fiscal year reporting requirements on the top VE projects conducted by all agencies whose total budget is in excess of \$10 million per year.

Accordingly, the Foundation has embraced the task to teach value engineering to employees of the Federal Government in Washington, D.C. for the next two years in order to promote the use of the value engineering to contribute wise utilization of taxpayer resources in strengthening our economy.

Our plan is to conduct two 2-hour Executive Seminars each month and two 40+ hour VE workshop each month using live agency projects. We have asked for a stimulus grant of \$20 million to achieve this demonstration for the Government.

## **THE POD CONCEPT**

The Foundation holds the copyright to 6 books that it publishes commercially and are distributed by the SAVE Business Office. In lieu of continuing to reprint (at great expense) and warehouse these books at the SAVE Business Office we are exploring the POD (Print on Demand) concept, the latest most cost effective technology. Our goal is to “preserve materials” and “maintain availability” for future public use.

This all started this year with the offer of copyright for a new book written by Maramaldo (Dirk) Dirceu from Brazil titled, *Total Competitiveness Theory*. Dirk was an old friend of Larry Miles and brings forth a lot of his legacy in this new work. The Foundation has undertaken the task of formatting and editing the book for English use. And now that we have discovered the POD concept we have a cost effective way to publish it.

## **FINANCES**

The Foundation remains solvent. At the end of 2008 our net worth was \$62,252. This included an inventory of book assets valued at \$8,900. The activities in our four funds for the year included:

- General Fund - \$2,150
- Value Institute Fund – 0 (Our normal support of \$500 per year will be made in 2009 to the L.D. Miles section endowment for the Wendt Library.)
- Education Fund - \$8,051
- New Application Fund – 0 (Expenses for the carbon project we began were donated)

## **BOARD OF DIRECTORS**

Our Board now stands at 15 Directors, the largest size in a long time and the largest allowed by our Bylaws. The Board now contains the balance required between government, industry and education. In addition, the Board has the distinction of consisting of three PhD’s, one AVS, eleven CVS’s, 8 Fellows, and two Corporate members of SAVE International.

During this year we are pleased to have added Kent Barker and Robert Stewart to the Board to represent industry. We also added Dr’s Hamid Parsaei and Geoffrey Shin to represent education.

### Officers / Director’s:

Mary Ann W. Lewis, Chairman  
Donald E. Parker, President  
Bruce L. Lenzer, Executive Director  
James A. Rains, Treasurer  
James R. Vickers, VP Operations  
Stephen J. Kirk, VP Education

### Directors:

David C. Wilson, President SAVE  
Rudy H. Kempter  
Michael P. Holt  
Robert H. Mitchell  
Hamid R. Parsaei  
James D. Bolton  
Robert B. Stewart  
Kent Barker  
Geoffrey Q. Shen

Directors, except for the President of SAVE International, are elected for three-year terms with approximately 1/3 of the Directors being elected each year at our Annual meeting. All serve without compensation.

## MEMBERSHIP

Members of the Foundation (in addition to its Officers, Directors, Staff and Trustees) are those who contribute to its programs and operations. We are pleased to list as members for the 2008-2009 season, the following individuals and organizations:

### Patron members (\$1,000 and greater)

- Mary and Jim Bolton
- Rudy Kempter
- Mary Ann Lewis

### Sustaining members (\$500 - \$999)

- Steve Kirk
- Donald Parker
- Bruce and Sara Lenzer

### Donor members (\$100 - \$499)

- James and Terri McCuish
- Dorine Cleton
- James O'Brien
- Waller Poage
- TechnoGeneral Services

- James Vickers
- Robert Stewart
- James Rains
- Michael Holt
- Dal-Sung Lee

### Paul Revere Chapter

### Contributing members (\$50-\$99)

- Fahd Mohammed Al-Azzaz
- Young-Joo Suh
- Donald Eisele
- Siddique Anwar
- Ali Al-Khuwaiter

### Citizen members (\$25-\$49)

- Sol Mendelsohn