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AMERICAN SYSTEMS Trains the Troops

During the recent State of the Company presentation in San Diego, Bill Hoover and Mark Danisewicz took the opportunity to tour the Navy's Survival Evasion Resistance and Escape (SERE) West training facilities and learn more about how AMERICAN SYSTEMS is supporting our warfighters. The operation includes classroom facilities onboard NAS North Island and field training conducted at Warner Springs, located just outside the San Diego area.

Part of the NAVAIR/FISC Norfolk Homeport Training (HPT) contract managed by **Dave Arms**, Program Manager from our Orlando, FL, office, an AMERICAN SYSTEMS team of 14 under the site leadership of **Brian Powers** provides instructor support for this intense phase of Navy training. It focuses on survival in combat situations where a service member is downed in hostile territory and taken as a prisoner of war. Though often associated with Naval Aviation and Navy Special Ops training, it is actually provided to men and women in all branches of the armed forces if they run the risk of being captured during combat.

The AMERICAN SYSTEMS support at SERE West is mirrored by a similar

operation of 14 instructors at SERE East under the direction of **Cory Wentworth**. SERE East is conducted at facilities at Portsmouth Naval Shipyard, Kittery, ME, and at the field training site in Rangeley, ME.

Each site trains more than 1,500 students each year. The students gain the knowledge and confidence necessary to survive in a hostile environment until rescued. The training encompasses those basic skills necessary for worldwide survival, facilitating search and rescue efforts, evading capture by hostile forces, and surviving captivity by a hostile government or terrorist cell during peacetime. It is based on and reinforces the values expressed in the Code of Conduct while maintaining

an appropriate balance of sound educational methodology and realistic/stressful training scenarios.

The SERE instruction begins with a week of classroom work focusing on wilderness survival and the real world applications of the code of conduct for a service member. It covers a wide range of topics including dealing with fatigue, fear, hunger, thirst, temperature, pain, and boredom. It includes an extensive look into ways of surviving off the land.

Following the classroom training is the field training period which is conducted at the Warner Springs SERE Facility encompassing 6,100 acres in the Cleveland National Forest. The students are divided
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From the

President's Desk



Well, it's October and we've just completed our CY/2010 third quarter and are nearing completion of our annual State of the Company meetings. If you attended one of these meetings, which we began on September 1st, you heard **Mark Danisewicz** report that the state of the ESOP is strong because the performance of the Company continues to be strong, as well. As I have indicated in the earlier editions of Perspective this year, we continue to deliver the results that we have worked so hard to achieve over the past five years. Our leading indicators remain strong, and we are on a pace to, once again, exceed industry benchmarks with respect to organic revenue growth among our peer group companies. These results and the momentum that continues as we work to close-out CY/2010 portend well for the career development of our employees and the value creation for our principal shareholder...the AMERICAN SYSTEMS ESOP.

Although the results for Q3/2010 are not yet final, it is estimated that during Q3/2010 we booked \$61M in New Business which brings our YTD/2010 New Business Bookings to approximately \$206M. The New Business proposal backlog (i.e., opportunities awaiting decision by the government) remains strong at approximately \$964M. This positions the Company for a strong close to the fiscal year in both New Business Bookings and Revenue achievement. Our Follow-On Win Rate for Q3/2010 and YTD/2010 was 100% and 99.8% respectively. These results and indicators provide great confidence that CY/2010 will be an outstanding year for the Company.

The books are not fully closed on all of our relevant financial metrics (e.g., Revenue, Profit, Cash Flow), however, we do have some positive activities and trends that are available to us at this time. **Peter Smith, Rich Tkac, David Gay, and Jack Baker** were successful in negotiating a \$4M request for equitable adjustment against a very large, complex program that is fixed price, fixed delivery. This could not have been achieved without the strong performance within delivery and the outstanding teamwork (N.B., one of our core values) among many operations and back office organizations and individuals.

Additionally, as I have presented during the State of the Company meetings, our trailing twelve months (TTM) revenue has grown by ~\$5M-\$7M per month since December of CY/2009. As of the end of August 2010, TTM was ~\$275M; the CY/2010 revenue forecast from operations at the same time was ~\$260M. Both exceed the CY/2010 objective of \$256M. Our cash collections remain strong, as well.

As I have said during the on-going State of the Company meetings, we have built on the momentum with which we entered CY/2010 and continued to deliver strong results throughout CY/2010, while maintaining very strong leading indicators. As we enter Q4/2010, we need to stay focused and close this year as strongly as we have delivered it thus far. In short, we need to continue to ... "Just Do It!"

As always, I am proud to be a member of the AMERICAN SYSTEMS Team.

Bill Hoover

Standard Policies & Procedures Updates

The following Standard Policies and Procedures (SPPs) were updated in the second quarter of 2010. It is your responsibility to stay current with all of our SPPs. Remember to visit the Policy Central Community on AIMS for the latest versions of all of our SPPs.

- SPP 31 Project Management
- SPP 01-101 Code of Business Ethics
- SPP 02-103 Internal Transfer Policy
- SPP 02-102 Employment Policy
- SPP 02-106 Employee Termination
- SPP 02-403 OT Pay for Non-Exempt Staff
- SPP 03-202 Travel & Other Business Expense Policy
- SPP 06-100 Contract Administration

Security Update

Social Networking – It has been often reported that Social Networking sites are proving to be a treasure trove for identity thieves. The increasing amounts of information individuals share on social networking sites are placing them at greater risk of identity theft. Social security numbers are no longer the only target of online criminals. Networking sites such as Twitter and Brightkite allow individuals to post a stream of updates that include where they are. Flickr allows users to see exactly where a photo was taken. By aggregating data about an individual's movements and activities, someone can create a detailed file about that person's work or personal life. Think about how a social networking site works before joining – some allow a defined community to access posted content; others allow anyone and everyone to view postings. Some “do's” and “don'ts” include:



- Don't join a network that asks you to share your address book
- Be wary of visiting the blog or web page of other members as that other “member” may be a scammer – the page is rigged to deliver a download of malware
- Don't click on shortened or condensed URL's like those created by TinyURL and Bit.ly – there's no telling where those links lead
- Keep control of information you post – restrict access to a select group like your close friends, teammates or family
- Keep your personal information to yourself – no full name or personal information about yourself or others
- Make sure your screen name does not reveal too much about you – full name, age, hometown, school
- Even though our Government customers are embracing this technology, they are not suggesting these web sites are suitable for sensitive data. Keep in mind that what is posted on the Internet – internally or externally – is open to sharing, including with those who are unscrupulous
- Flirtatious behavior invites serious consequences – remember the bad guys lie
- Be wary of online friends who wish to meet you – trust your suspicions and lastly,
- Did you know sites related to school reunions and genealogy provide a rich resource for hackers? How many times are you asked by your bank to provide an answer to an authenticating question? Mine asks the following three: name of best friend, high school attended and name of first pet.

New on AIMS: Communications Community

aims/corporate/communications



In response to several internal surveys conducted in the past 12 months, in which respondents requested easier access to more information about the Company, we have deployed a new Communications Community on AIMS. Click on the communications link on the left hand menu of the homepage of AIMS to access a multitude of information, such as:

- **AMERICAN SYSTEMS at a Glance** – corporate video, “elevator pitch”, annual report, more
- **Trade Shows/Job Fairs** – see what resources are available to support your upcoming show
- **Advertisements** – see examples of our brand in a variety of media
- **In the News** – links to articles and other media coverage
- **Feedback Forum** – read questions from employee-owners and how the Company responded
- **Follow Us** – link to the official AMERICAN SYSTEMS Twitter page

The Communications Community is still in development, and much more content will be added, but if you have any suggestions, feedback, or questions, please direct them to Mike.Dolton@AmericanSystems.com.

Survival Training *(Continued from P. 1)*



Michael Tuttle
SERE East instructor

into elements and spend days practicing map reading, navigation, fire building, water procurement and shelter building. They learn different water procurement and purification techniques, construct solar stills, and setup transpiration bags for water collection. They identify and consume edible plants. They also learn how to trap small game and field dress for cooking and eating. They construct shelters with parachute material and camp out overnight in them. Students learn how to start fires using a variety of fire starting tools and techniques, and practice ground-to-air signaling using various signaling devices.

An integral part of the survival training, students are left to evade “captors” and make their way to safe areas. This is where they make use of navigation and terrain analysis skills in order to avoid capture and overcome numerous man-made and natural obstacles. Following capture, they find themselves in a mock prisoner-of-war camp

environment complete with guard towers and barbed wire enclosures. They are pushed to their psychological limits during practical application of overcoming interrogation methods. Finally they apply practical application of survival skills to help facilitate opportunities for escape.

LT Melissa Moravan, a SERE West graduate, cited that having gone through the whole SERE training experience she gained a much better understanding of how she would react to a real situation. Through programs like SERE training, it is easy to see how what we do at AMERICAN SYSTEMS directly supports our troops and continues to ensure the safety and strength of our nation.



AMERICAN SYSTEMS instructors and students march through the woods during SERE training at Warner Springs.

Kudos...

On Aug. 4th, 2010 at the AIM-9X Sidewinder Program Management Review at the Naval Air Weapons Station China Lake, California, **Jim Andersen**, *Lead NAVAIR Air-to-Air Missile Systems Support*, received the “Making a Difference” award from the NAVAIR PMA-259 AIM-9X Sidewinder Integrated Product Team Lead and the Raytheon Missile Systems Short Range Air-to-Air Missile Systems Director. The award was given for Jim’s overall superb contributions to the AIM-9X Program. This award

is presented to the top contractor and government service personnel at each of the semi-annual Program Management reviews. Jim is part of Vice President and Director, **Steve Bonwich**’s NEX Directorate and has supported the NAVAIR PMA-259 Air-to-Air Missile Systems Program Office on site at Naval Air Station Patuxent River, MD for over 10 years. Way to go, Jim!

Security Team Earns High Marks

Congratulations to **Jennifer Dandridge**, *Corporate FSO*, **Craig MacDonald**, *Sr. Info Systems Security Manager*, and **Krystal White**, *Assistant FSO*, for their efforts during the latest Corporate DSS Inspection. For the second year in a row, Corporate was able to achieve a SUPERIOR rating. This latest inspection result, coupled with a recent COMMENDABLE rating awarded to **Leon Steinfeld**, *FSO* in the Dumfries office, gives AMERICAN SYSTEMS a total of two SUPERIOR ratings and five COMMENDABLE ratings throughout our seven cleared facilities company-wide. These positive ratings are proof that DSS is recognizing the hard work and effort our Security Department is putting into running an effective Security Program.



Left to Right Jim Andersen, AMERICAN SYSTEMS; Lt. Col Chuck Angus, AIM-9X IPT Leader; Mr. David Adams, Raytheon Short Range Missile Systems Director.

Contract Updates

Training Operations Directorate Wins Executive Coaching Contract at DHS

Ormond Beach, FL – The Managed Services Training Operations Directorate (TRO) won a strategic five-year contract to provide Executive Coaching for the Office of the Chief Administrative Officer (OCAO) at the Department of Homeland Security (DHS). The Executives and Directors in this DHS Division have the responsibility for department-wide management of administrative services, and oversee a large and diverse scope of functional responsibilities across a Federal department with more than 200,000 employees.



The OCAO tapped TRO to design, develop, and implement a new Executive Coaching program, based on their organizational development needs, to increase the leadership capabilities of each Director and improve their capacity to communicate and interact successfully with other components, peers, and those in leadership positions. TRO leveraged its extensive experience across a diverse client base in executive and managerial coaching and organizational development to secure this win.

“Executive Coaching is all about mental focus and pacing,” said **Mary Voy**, *Vice President of Training Operation*. “The application of knowledge is power—DHS is making a substantial investment in empowering its leaders, and AMERICAN SYSTEMS is proud to have been selected to help shape the process.”

The proposed, highly customized solution includes topics, activities, and lessons designed to enhance tactical problem solving, develop and redefine leadership capabilities, strengthen new ways of thinking, provide tools to enhance communication, and challenge individuals to effectively align their goals toward greater sustainability and effective transformation. **Dawn Gardener**, *Program Manager*, adds, “We look forward to this tremendous opportunity to engage with DHS’s leaders and decision makers.”

Included in the work plan are topics such as personal goal setting that aligns with DHS’s Strategic Plan, leadership competencies, generational differences, increasing emotional intelligence, decision making, expanding influence and personal assessment. Voy concludes, “This win serves a dual purpose – it strengthens DHS’s leadership abilities and showcases AMERICAN SYSTEMS capabilities.”

Opening Doors in West Virginia

Larry Mendenhall, *Executive Director*, **Burl Smith**, *West VA Operations Manager*, and **Ray Rafaels**, *VP Gov’t Consulting*, of AMERICAN SYSTEMS met with Senator Rockefeller and Governor Manchin in Washington, DC on October 6th for the West Virginia Biometrics Seminar & Reception on Capitol Hill. The reception highlights the expansion of the Biometrics industry within the State of West Virginia. The reception boasted executives representing some of the nation’s largest security and identity management companies. The event was specifically designed for out-of-state executives to explore investment opportunities, business partnerships, and research synergies with West Virginia companies and universities.

The reception highlighted AMERICAN SYSTEMS’ plans to open a new office in Hinton, WV to support the recently awarded Joint Operational Contract Support (JOCS) requirements determination project. This project was funded by the Deputy Under Secretary of Defense (ADUSD) and focuses on business process improvement and an analytical comparison of best business practices among DoD services or other Federal Agencies.



Left to Right: Ray Rafaels, Burl Smith, West Virginia Governor Manchin, and Larry Mendenhall.

The driver for this new award is the responsible troop draw-down within Iraq and soon-to-be Afghanistan theaters. This contract will be utilized to determine operational contract policy impacts to participating commands and agencies as it pertains to joint environment contracts in contingency and emergency operations. Business process improvement will help the Joint Command provide cost effective and efficient information technology-based solutions in the foreseeable future.



Photo Gallery



Leon Steinfeld, (left) Facility Security Officer for the Quantico office, participated in the FDNY-Fire Family Transport Foundation "Iron and Steel" benefit motorcycle run Aug. 28. More than 500 motorcycle riders accompanied a piece of steel from the September 11th World Trade Center site



Left to right, **Lou Baksa**; **Bill Harrigan**, and **Dave Taff** at the GSA Network Services Conference. Lou was presented with the GSA's award for Management and Administrative Excellence at the conference.



AMERICAN SYSTEMS COO **Peter Smith** (far left), and VP, Human Resources **TJ Baskerville** (second from right) celebrate with two AFCEA Scholarship winners and Mrs. Gravely (center) at the AFCEA Educational Foundation luncheon in September. **AMERICAN SYSTEMS** sponsors two Adm. Gravely scholarships.



Senior Program Manager **Mark Wallace** represents the Company at the AFCEA C4IST Trade Show and Exhibition in Ft. Huachuca, AZ.



At left are members of **AMERICAN SYSTEMS'** Newport, RI Light the Night Team. Pictured here (L to R) are employee-owners **Jim Coombs** and **Shelly Delaney**, and Shelly's son **Tyler**, and sister **Jackie**.

Calling All Radio Amateurs!

Interested in Amateur Radio? Want to speak with other Employee-Owners who are too? **AMERICAN SYSTEMS'** Sr. Systems Engineer, **Charles Martin** wants to meet you. Please send your name, call sign, email, and a description of your Amateur Radio experience to Charles.Martin@AmericanSystems.com, or give him a call at (703) 576-6429 to learn more.

Our Newest Employee-Owners... July - September 2010

Please welcome the newest members of the AMERICAN SYSTEMS team!

Amy Anderson	Gregory Dunn	Lanier Long	Shanay Owens	Steven Summers
Robert Arnold	Gabe Fairfax	Stacy Lopez	Susan Pacansky	Joseph Szigeti
Ebony Barbour	Wayne Flowers	Vernon Low	Francis Pascual	Vannary Taylor
Douglas Batson	Wendy Fontela	Jeffrey Mania	Larry Peck	Zarin Tewarson
John Biles	Richard Funke	Craig Maresch	William Pieseski	Joseph Tiano
Lenin Bonilla-Gonzalez	Harry Gadson	Erin Marsch	Victor Pineiro	Kayla Toops
Richard Bonvini	David Goodwyn	Nathan Martin	Cheryl Pyles	Genevieve Villalobos
Patrick Brown	Danielle Graham	Charles Martin	Michael Rogers	Ryan Warlick
Charles Burch	Toni Haynes	Melissa Martin	Bruce Roskam	James Watkins
Christine Cain	Jeremy Hinton	Michael McDaniel	Alexandra Ruggiero	Winston Webb
Marcus Campbell	Hasmal Jean-Philippe	Derrick Melvin	Patria Sanchez	Kenneth Weiner
Daniel Cerys	Richard Johns	Elizabeth Mika	Darryl Scott	Steven Wells
Wesley Chen	Robert Kelley	Tracey Mitchell	Robert Scriber	Rodney Wickard
Graham Coats	Steven Keser	Erica Neveu	Henry Serrano	Danny Williams
Timothy Cooley	James King	Tuyen Nguyen	Keytonia Sidhu	David Wolfrey
Natasha Davis	Victor Kramer	Kisha North	Molly Smith	Jillian Yant
Patrick Doss	Frank Lane	Dennis O'Mara	Walter Stallings	Young Yi
Thomas Douthat	Tausha Livingston	Roberto Ortiz	James Stratton	

Second Quarter Promotions!

The following employee-owners deserve congratulations as they were promoted during the third quarter of 2010.

Carlos Gaskin	Jonathan Lee	Melissa McDonald
Cintron Huff	Barclay Lewis	Lisa Wetzel

Service Anniversaries - July through September 2010

30 Years

Mark Crawford
Nicholas Depalo
George Schmitz
Peter Smith

20 Years

Michael Dorrell
Sally Heyns
Alma Powell

15 Years

Brian Gilbert



10 Years

Randy Brezler
Mary Harrell
Patricia Hetzel
Alvin Walls
Robert Williams
Richard Zani

5 Years

Nancy Blowe
Amanda Burress
Matthew Clark
Bill Harrigan
Barclay Lewis
James Mills
Daniel Sheaf

Values and Culture Recognition Program

From July through September 2010, the following employee-owners were recognized through the Value and Culture Recognition Program.

Barbara Benson	La Vida Mason
Cris Crisostomo	Minh Pham
Jennifer Dandridge	Diane Stegner
Olessia Dmitrenko	Leon Steinfeld
Kent Irwin	Stacie Terry
Desi Knight	Rich Tkac
Vic Kramer	Lisa Wetzel
Steve Leon-Guerrero	Krystal White
Craig MacDonald	Richard Zimmerman



\$10,000 BONUS

We have extended our \$10,000 employee referral program for any referrals hired for a TS/SCI+ Special Access position with a start date before year end. Contact Mike.Michaelis@AmericanSystems.com

Extended Thru 12/31/10

To nominate an employee, visit the HR Community on AIMS and view the Values and Culture Recognition memorandum.

AMERICAN SYSTEMS
PERSPECTIVE

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Postcard from Lebanon

AMERICAN SYSTEMS Provides Military Training to the Lebanese Armed Forces

AMERICAN SYSTEMS' personnel are delivering military training, technical assistance and advisory services to the Lebanese Armed Forces as part of a multi-year US Security Assistance program. Currently, the United States government is investing over \$20 million through the Lebanese Armed Forces - Comprehensive Training Program (CTP). The CTP, is part of over \$720 million in support the United States is providing to the Lebanese Armed Forces for equipment, training, humanitarian assistance, and unexploded ordnance removal. The United States is assisting the government of Lebanon and the LAF as they continue their efforts to safeguard the stability, unity and sovereignty of Lebanon.

The LAF-CTP is being delivered by Raytheon Technical Services Company, the prime vendor to U.S. Army Program Executive Office-Simulation, Training and Instrumentation (PEO-STRI) via the War Fighter Field Operations Customer Support (FOCUS) Contract. AMERICAN SYSTEMS was selected by Raytheon Technical Services Company as part of a competitive selection process to provide a series of Security Assistance Teams to the Lebanese Army, Navy, and Air Force over a five-year period.

AMERICAN SYSTEMS' efforts in support of the program are managed by the Security Assistance Programs Management

Office located in Fayetteville/Fort Bragg, NC. **Jim Corcoran**, *Project Manager*, and **Brian Corella**, *Project Coordinator*, support the AMERICAN SYSTEMS execution of the program. The successful delivery of these training services illustrates AMERICAN SYSTEMS' capability to provide foreign military assistance in support of U.S. Foreign Policy and DOD Security Cooperation Programs.

Contributed by Bob Carroll



*AMERICAN SYSTEMS instructor **Todd Percell** provides instruction to LAF soldiers during the Basic Ammunition Handling Course in Louaize, Beirut.*



AMERICAN SYSTEMS 14151 Park Meadow Drive • Suite 500
Chantilly, VA 20151-2218