

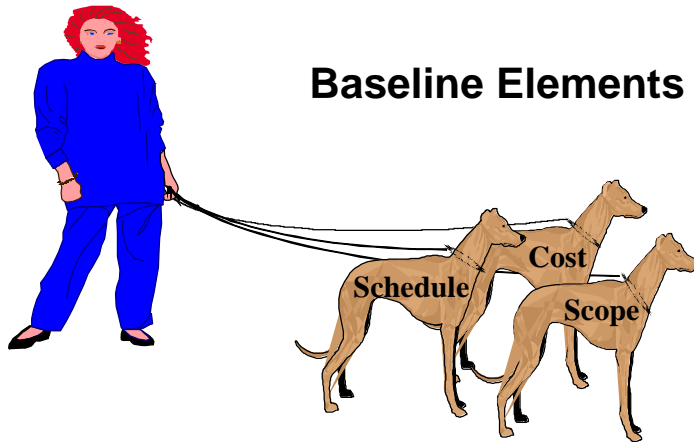
Section 1.3: Baseline Elements/Lessons Learned



Section 1.3



Baseline Elements



1

Discussion Leader/Facilitator Notes: *Have a discussion about which dog is in the front.*

“Project baselines define the scope of work to be accomplished, the associated schedule of events, and the estimated cost associated with doing the work for a project’s life-cycle” (IPABS).

This section will discuss cost estimates as an integral part of the project baseline development.

Notes / Discussion Points / Lessons Learned: _____

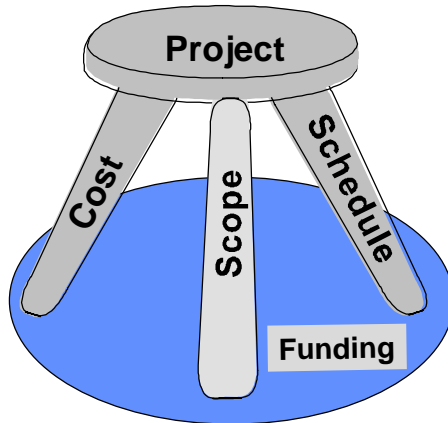
Section 1.3: Baseline Elements/Lessons Learned



Baseline



Relationship of Technical Scope, Cost Estimate, and Schedule Baseline

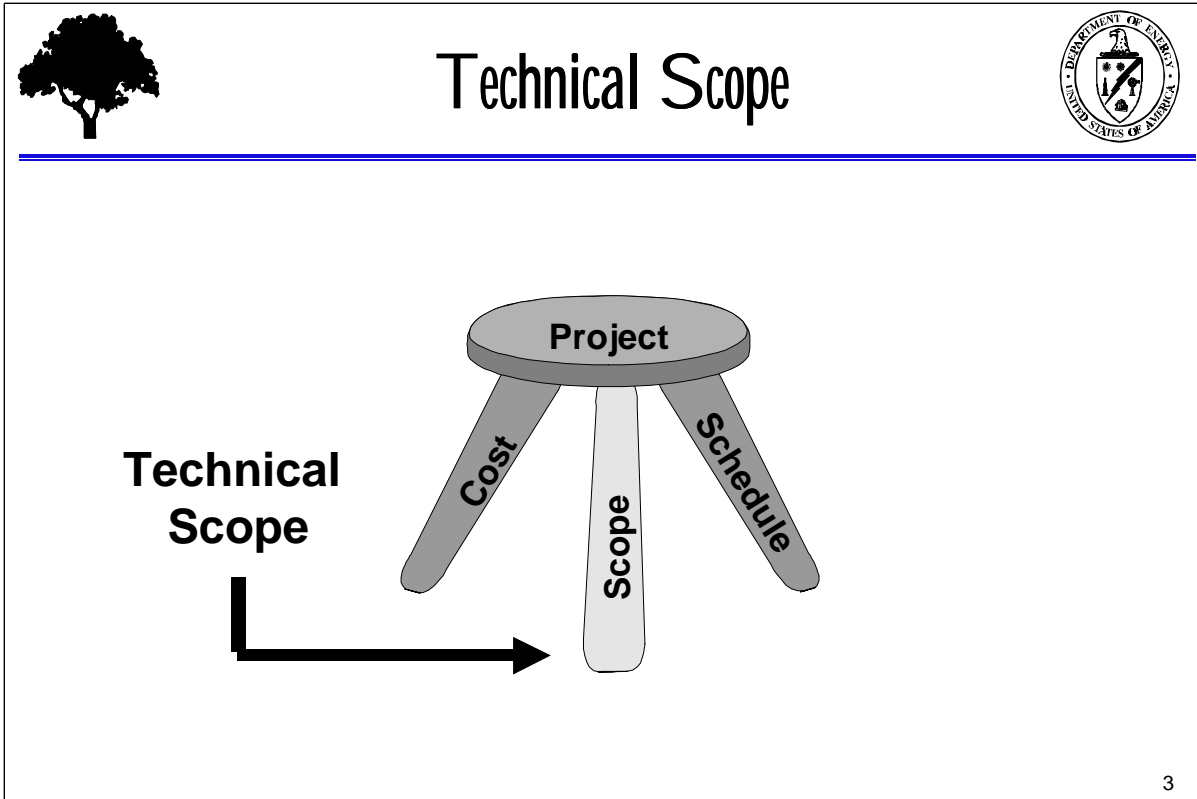


2

- Changes to any assumptions in the legs of the stool will affect the project's position.
- Changes in project funding may affect all three project elements: scope, schedule, and cost.
- The technical scope forms the primary basis and foundation for the development of the cost estimate and the project schedule.
- As technical scope moves from the conceptual level toward the definitive level, the cost estimate, and the schedule will also become more refined.
- Baseline should establish the basis for the budget request.
- Baseline provides the basis for performance measurement of the project.
- Baseline provides the basis for all change control.

Notes / Discussion Points / Lessons Learned: _____

Section 1.3: Baseline Elements/Lessons Learned



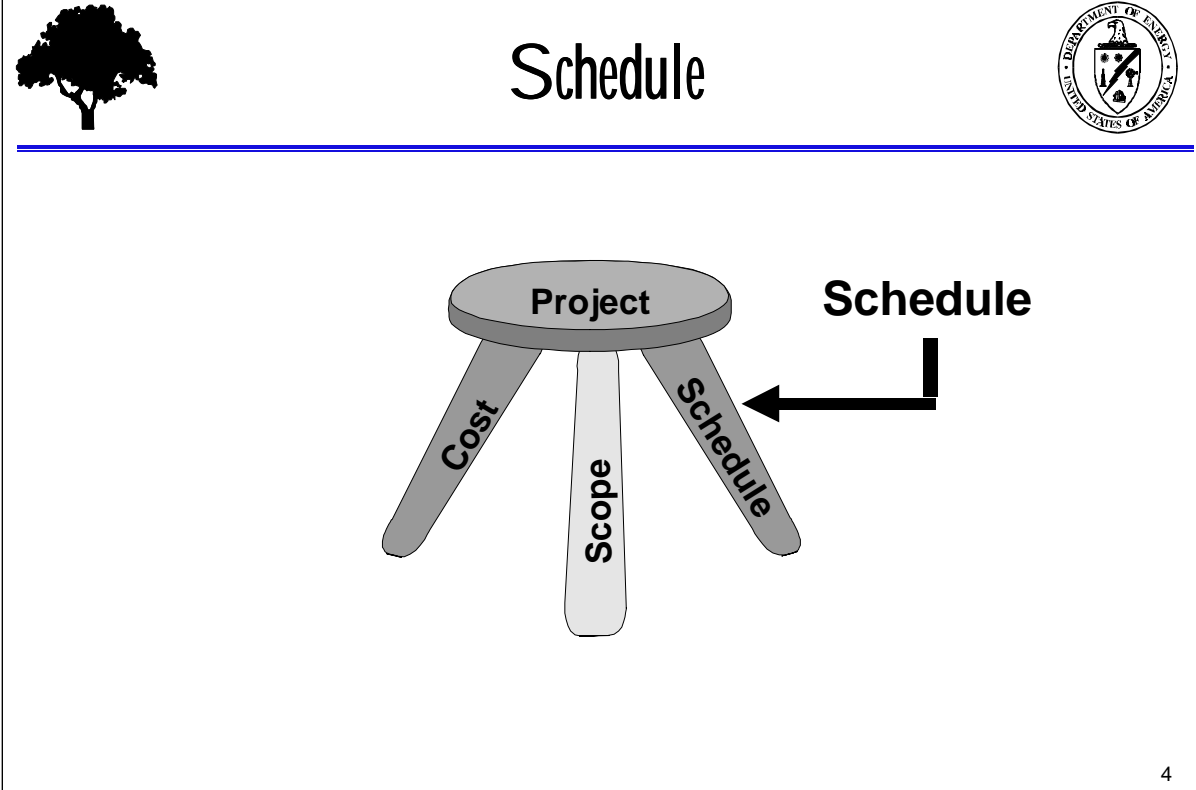
Discussion Leader/Facilitator Notes: Elements in the first bullet could involve discussion of innovative technology, risk, etc.

- The technical scope should include all requirements for the project or program. It should, at a minimum, include the following information:
 - Detailed description of work to be performed
 - Description of regulatory drivers
 - Deliverables
 - Any constraints or special conditions
 - Sequence of events and any interdependencies
 - Milestones
 - Work Breakdown Structure (WBS)
 - Cost Structure/Code of accounts (e.g., HTRW)

- The Program/Project Manager should provide the preceding items to the estimator, or the estimator may assist in their development.

Notes / Discussion Points / Lessons Learned: _____

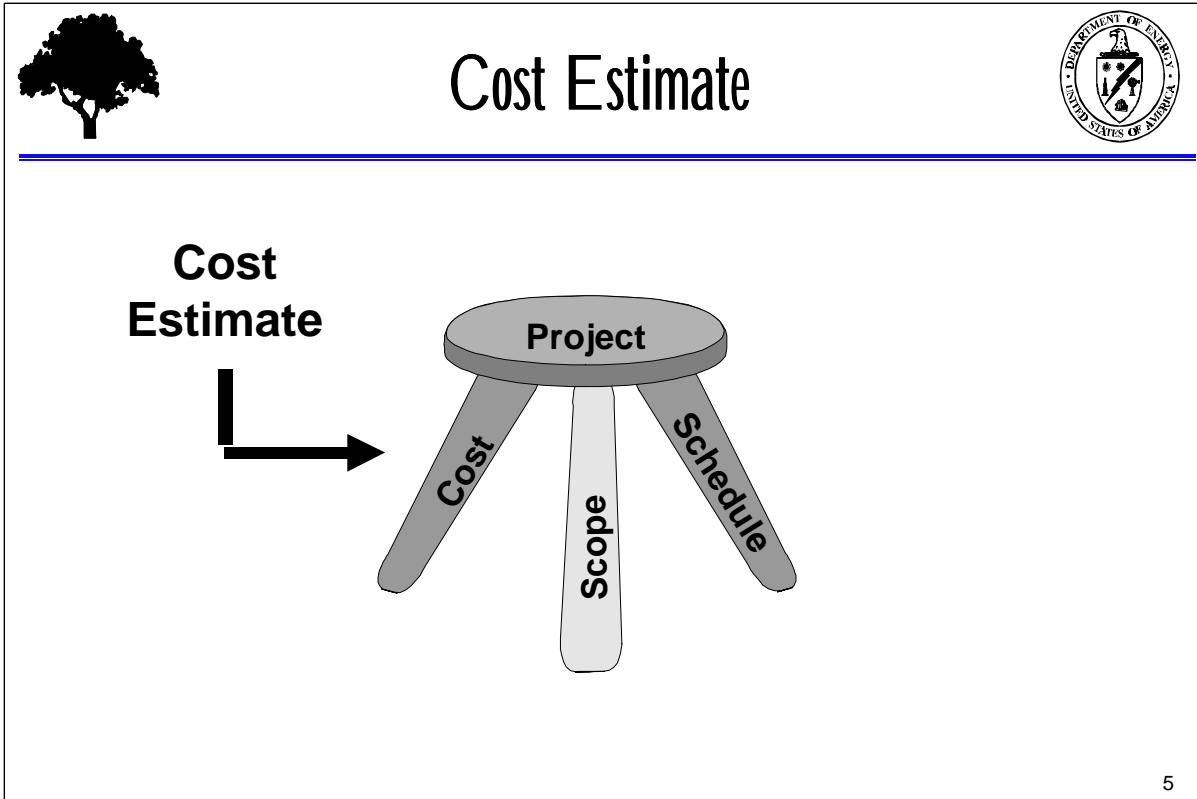
Section 1.3: Baseline Elements/Lessons Learned



- The schedule is used as the basis for both the budget cycle timing and the escalation of project costs.
- The schedule used or developed with the cost estimate should be documented and becomes part of the cost-estimation package.
- Milestones, dependencies, and the critical path are identified in the schedule.
- The schedule should be resource loaded.
- Resource-loaded schedules should be leveled according to labor hour or dollar requirements.
- All schedule assumptions must be defined and traceable in the schedule.

Notes / Discussion Points / Lessons Learned: _____

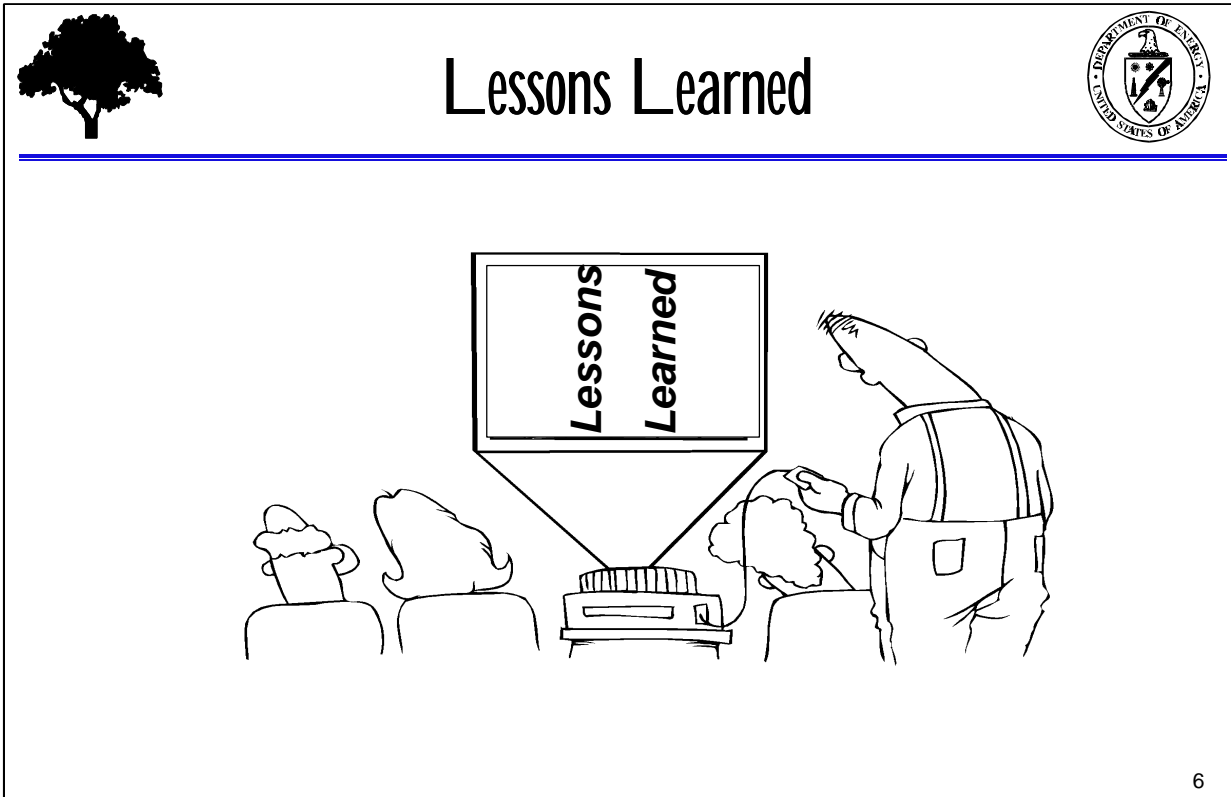
Section 1.3: Baseline Elements/Lessons Learned



- After the technical scope information is available, the estimator can start developing the cost estimate. The estimate forms the basis for defining and controlling the project cost.
- As the estimate is developed, the estimator should keep well-organized worksheets and documentation, including the following:
 - Definition of what is included and specifically excluded in the total cost of the project.
 - Methodology of how the estimate was developed, including information such as any cost data bases used, actual quotes used, etc.
 - Description of direct and indirect costs. Field-distributable overhead should be in enough detail to describe what is included (e.g., site security, on-site trailers, health, and safety).
 - Explanation of site overhead rates.
 - Definition of when startup begins and ends along with the associated costs for those activities.
 - Operating costs if the estimate is a program estimate and includes operations as well as construction activities.
 - Allowance for escalation (based on the latest approved schedule) and identification of base-year dollars.
 - Contingency allowance and associated contingency/risk analysis.
 - Estimate assumptions and bases.
 - Costs should be estimated in conformance with the cost structure/code of accounts (e.g., HTRW).

Notes / Discussion Points / Lessons Learned: _____

Section 1.3: Baseline Elements/Lessons Learned



1. Technical Scope: How do you ensure that you have the best defined scope possible before doing an estimate?

What are some of the techniques or questions you use to do this?

How do you document it accurately?

2. Of the following technical scope items, which are the toughest to define and what is your technique to best do that: scope description, deliverables driver, constraints, sequence of events, dependencies, and milestones

Are there ways the system could help this work better?

3. In the generation of the schedule for a project, what problems occur between the scheduler and the cost estimator that might be alleviated?

(Continued on next page)

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Do you always receive the detail data you need?

Does the scheduler have any consideration for your support to him?

Could the working relationship be improved?

If so, what would you suggest? How is the estimate affected by any of this?

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