

BSBPMG514 MANAGE PROJECT COST

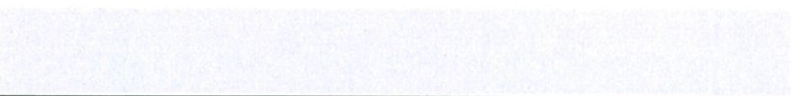
PRACTICAL ASSESSMENT INSTRUCTIONS

- The following practical assessment will require the participant to complete work related activities.
- The assessor will conduct observations of the participant's work to determine whether they display sufficient practical skills and knowledge.
- Please fill in the details below, providing your name, signature and date of assessment.
 - Your signature acknowledges that the assessor provided clear instructions and the participant understood what was required to complete this assessment.
- The assessor may substitute a Practical Task with another task of equal value.
 - Alternate tasks must be fully documented by the assessor.

Participant name Christine Marcek

Participant signature 

Assessor name _____

Assessor signature 

Date 10/08/2020

Number of tasks	Number of tasks completed	Satisfactory?	
		Yes	No
1		☐	☐

BSBPMG514 MANAGE PROJECT COST

Practical Task 1		
Description of task: A suitable observer is to verify the participant's ability to identify, analyse and refine project costs to produce a budget and use it and the principal mechanism to control project cost.		
These tasks may be simulated or real. The participant is to gather evidence of how they have completed each component of the Practical Task, which is to be submitted with this Practical Assessment sheet. The observer is to provide detailed comments on the tasks completed by the participant. The assessor is to verify the observer's comments in the Assessor Comments section, and provide the Practical Assessment outcome on the front cover of this document.		
Resources required: Project documentation, Organisational documentation (including budgets/other financial documents), Budget software.		
Assessment of task		
Name of participant:	Christine Marcek	
Name of observer:	Ravi Prasad	
Role of observer (Confirm suitability to sign)	National Environmental and Sustainability Manager, SWC	
Email address of observer	Ravi.Prasad@seymourwhyte.com.au	
Signature of observer:		
Date:	10/08/2020	
When completing the task, did the participant:		Tick if satisfactorily completed. Provide comments if left unticked.
1 Determine project costs		
1.1A. Seek input from stakeholders and guidance from others when determining resource requirements for tasks identified in the work breakdown structure.		☒
1.1B. Estimate project costs to prepare project budget within agreed tolerances.		☒
1.1C. Develop a project budget.		☒
1.1D. Within delegated authority, develop a cost-management plan to ensure ongoing management of project finances.		☒
2 Monitor and control project costs		
1.2A. Implement agreed financial-management processes and procedures to monitor actual expenditure against budget.		☒
1.2B. Select and use cost-analysis methods and tools to identify cost variations and evaluate alternative actions.		☒
1.2C. Implement and monitor agreed actions to maintain financial objectives.		☒
1.2D. Provide accurate and timely financial reports.		☒

3 Complete cost-management processes	
1.3A. Conduct appropriate activities to signify financial completion.	☒
1.3B. Use available records to review project outcomes and determine effectiveness of project cost management.	☒
1.3C.. Review cost-management issues and document improvements.	☒
The participant's performance was: ☒ Satisfactory ☐ Not Satisfactory	

OBSERVER COMMENTS

Section 1:

Christine provided an overview of the cost/resource establishment phase including reference to tender stage, noting that the cost development on a standard civil construction project is very complex. Initial engagement at tender phase determines Client requirements and these are formally documented within the contract. Within SWC it requires multiple resources to fully develop and break down the contract content into cost/resources such as the precontracts/estimating team, senior management and the project manager and project team, as well as discipline specific managers; an example of this was provided in the form of a draft project estimate for Soil & Water (see Attachment 1). While the draft was prepared by the Environmental Representative, it still required further input from the precontracts team estimator to finalise and is only one small part of the budget estimation process. The full budget consists of numerous line items and runs over many pages (see Attachment 2 for partial excerpt). Christine noted that expenditure costs in SWC are controlled in a number of ways, beginning with the Project Authority Limits form (see Attachment 3) that identifies by role what the expenditure limits are per expenditure type, to the progress claim & forecasting table report (Attachment 2) as well as weekly construction meetings, monthly reports and quarterly project reviews held with senior management.

Section 2:

Christine discussed controlling costs and noted the importance of comparing funds spent versus budget and the need to ensure spend is in line with the agreed payment schedule (see Attachment 4) i.e. while it may be possible to conduct works ahead of the planned schedule thus easing time restraints, if the cost of works exceeds the payment schedule this may not be an appropriate course of action. SWC processes include contract and project administrators as well as engineers who assist the project manager to process, monitor and evaluate costs; Christine noted this enables the Project Manager and project team to identify any payment or expenditure discrepancies or issues and take appropriate action such as sourcing alternate suppliers/materials. Christine described the financial reporting processes as being very structured and noted it involves both internal accounting systems / internal monthly reports and also correspondence to and from the Client such as when sending progress claims (see Attachment 5).

Section 3:

Christine discussed the many action required to achieve financial completion on a project, starting with verification of project completion which usually occurs with the Client approving Practical Completion, followed by Final Completion. Financially, Christine identified that all payments to subcontractors and suppliers must be finalised prior to requesting the final payment certificate from the Client, see Attachment 6 for an example of the cover letter of a Final Payment Certificate from a Client to the project. Christine discussed how the vast number of financial records accumulated during a project are all utilised to assess project financial performance, with the Project Completion Report (see Attachment 7) providing a financial summary including noting variations and that any key learnings are included within the business Lessons Learnt database for implementation on future projects.

Attachment 1 1.1A. Seek input from stakeholders and guidance from others when determining resource requirements for tasks identified in the work breakdown structure / 1.1B. Estimate project costs to prepare project budget within agreed tolerances.

G38 - Soil and Water

Aspect	Details	Unit	Length	Quantity	Mhrs	No of months	Treat	SA / hr Or unit price	Plant	Matis	Resource Total	\$A Total	
Preparing initial SWMP/ESCP					150			225				\$ 33,750.00	
Soil con - Fortnightly Site Inspection, Review and Allow silt fencing both sides for full length and		hrs		60	8			225				\$ 108,000.00	Includes travel (Excluding travel)
Sandbags	Install and remove	m	30000	2				4				\$ 240,000.00	
Fill bags with limestone		ea		20000				3				\$ 60,000.00	
Rock Check dams		ea		20000				6				\$ 120,000.00	
Geofab		ea		3000				100				\$ 300,000.00	
Chemical stabiliser -		m2		450000				1.1				\$ 495,000.00	
Water cart		ea		500				1000				\$ 500,000.00	
Installation of drains (construct and protect)				6				TBA					
Clean water drains		m	10000					20				\$ 200,000.00	Excavation, Geobab and/or concrete, Maintain & Rehab
Dirty water drains		m	10000					18				\$ 180,000.00	Excavation, Maintain & Rehab
Sediment ponds													
Stripping of topsoil and construction of sediment pond. Matt to cost this section													
Rock spillway + Chicken mesh + signage + level gauge. Matt to cost this section		ea											
Line spillway (assume \$1000/ basin). Matt to cost this section		ea											
Dewatering	Pumps, chemicals (pH correction and Gympsum)			720				800				\$ 576,000.00	1 Basin - Approx. 24 treatments/yr. For 1.5 years, 20 ponds (including stockpile area) is approximately 720 treatments per year. For 1.5 years - 720
Water quality monitoring (Preconstruction and during construction)	Calibration solutions + consumables			10							600	\$ 6,000.00	
	Water Quality Monitor - u/s and D/S			2		18					320	\$ 11,520.00	
	Additional pH probe and turbidity probe			5							300	\$ 1,500.00	
	Ground water			4		18					165	\$ 11,880.00	
	Water testing - External testing (TSS Vs Ntu) S88			96							88	\$ 8,448.00	
Rumble grid				15							3500	\$ 52,500.00	
Rock for site exit (5000 each)				15				5000				\$ 75,000.00	
Color code													\$ 825,825.00

Estimator to check and cost price

PROGRESS CLAIM AND FORECASTING TABLE

Contractor's Estimate									
Item	Description	Unit	Quantity	Unit rate	Amount	CLAIM No.19 Date : 19/03/2017		Work Completed	Cost to Date
						Quantity	Amount \$		
Schedule A - Roadworks									
MRS02 Oct 14									
PROVISION FOR TRAFFIC									
1201.01	Provision for traffic (MRS02 Oct 14)	lump sum	1	1889677.50	1,889,677.50	0.00	0.00	1.00	1,889,677.57
1204.01	Travel Time Surveys (MRS02 Oct 14)	lump sum	1	22549.51	22,549.51	0.00	0.00	1.00	22,549.54
MRS03 Oct 14									
REMOVAL/DEMOLITION									
2101.01	Removal or demolition of culverts, complete (MRS03 Oct 14)	lump sum	1	20921.33	20,921.33	0.00	0.00	1.00	20,921.32
2102.01	Removal or demolition of culvert end structures (MRS03 Oct 14)	lump sum	1	1644.56	1,644.56	0.00	0.00	1.00	1,644.56
2104.01	Removal or demolition of concrete kerb including kerb crossings (MRS03 Oct 14)	m	2270	2.47	5,606.90	0.00	0.00	2,138.60	5,282.35
2105.01	Removal or demolition of concrete channel (MRS03 Oct 14)	m	335	6.17	2,066.95	0.00	0.00	323.20	1,994.15
2106.01	Removal or demolition of concrete kerb and channel including kerb crossings (MRS03 Oct 14)	m	2567	3.08	7,906.36	0.00	0.00	2,542.50	7,830.90
2107.01	Removal or demolition of concrete slabs (MRS03 Oct 14)	m2	2775	3.77	10,461.75	0.00	0.00	3,165.78	11,934.99
2108.01	Removal or demolition of gullies (MRS03 Oct 14)	each	35	250.23	8,758.05	0.00	0.00	32.00	8,007.36
2109.01	Removal or demolition of access chambers (MRS03 Oct 14)	each	3	250.23	750.69	0.00	0.00	3.00	750.69
SUPPLY AND INSTALLATION OF CULVERTS									
2241.01	Supply and installation of concrete pipe culvert components, Class 3, 375 mm diameter (MRS03 Oct 14)	m	1500	253.21	379,815.00	0.00	0.00	1,456.61	368,828.98
2241.02	Supply and installation of concrete pipe culvert components, Class 3, 450 mm diameter (MRS03 Oct 14)	m	281	282.10	79,270.10	0.00	0.00	274.15	77,337.73
2241.03	Supply and installation of concrete pipe culvert components, Class 3, 525 mm diameter (MRS03 Oct 14)	m	106	338.92	35,925.52	0.00	0.00	105.33	35,698.45
2241.04	Supply and installation of concrete pipe culvert components, Class 3, 600 mm diameter (MRS03 Oct 14)	m	215	353.01	75,897.15	0.00	0.00	203.06	71,682.21
2241.05	Supply and installation of concrete pipe culvert components, Class 3, 750mm diameter (MRS03 Oct 14)	m	30	491.64	14,749.20	0.00	0.00	30.77	15,127.76
2241.06	Supply and installation of concrete pipe culvert components, Class 3, 1500mm diameter (MRS03 Oct 14)	m	20	1245.08	24,901.60	0.00	0.00	19.52	24,303.96
2241.07	Supply and installation of concrete pipe culvert components, Class 3, 675 mm diameter (MRS03 Oct 14)	m	5	627.74	3,138.70	0.00	0.00	3.71	2,328.92
2242.01	Supply and installation of fibre reinforced concrete pipe culvert components, Class 3, 225mm diameter (MRS03 Oct 14)	m	8	787.84	6,302.72	0.00	0.00	0.00	-
2243.01	Supply and installation of concrete box culvert components, 1200x300mm (MRS03 Oct 14)	m	40	532.54	21,301.60	0.00	0.00	38.93	20,731.78
2243.02	Supply and installation of concrete box culvert components, 3600x2100mm (Culvert 9D) (MRS03 Oct 14)	m	12.2	3442.98	42,004.36	0.00	0.00	12.20	42,004.36
2244.01	Supply and installation of concrete spanning slabs, 3600mm (Culvert 9D) (MRS03 Oct 14)	m	6.1	1887.37	11,512.96	0.00	0.00	6.10	11,512.96
CONCRETE IN CULVERTS AND END STRUCTURES									
2302.01	Concrete bases in culverts (MRS03 Oct 14)	m3	20.9	777.68	16,253.51	0.00	0.00	31.66	24,621.35
2308.01	End structures to culverts, reinforced concrete (MRS03 Oct 14)	m3	1.6	2535.76	4,057.22	0.00	0.00	2.85	7,226.92
2309.01	End structures to culverts, unreinforced concrete (MRS03 Oct 14)	m3	8.1	1374.93	11,136.93	0.00	0.00	0.00	-
2313.01	Aprons to culverts, reinforced concrete (including cut-off walls) (MRS03 Oct 14)	m3	31.3	772.07	24,165.79	0.00	0.00	11.75	9,071.82
2317.01	Precast concrete end structures to culverts, 375mm diameter RCP (MRS03 Oct 14)	each	18	550.62	9,911.16	0.00	0.00	14.00	7,708.68

Attachment 3: 1.1D. Within delegated authority, develop a cost-management plan to ensure ongoing management of project finances.



Project Authority Limits (PAL)

Project Name:

[illegible]

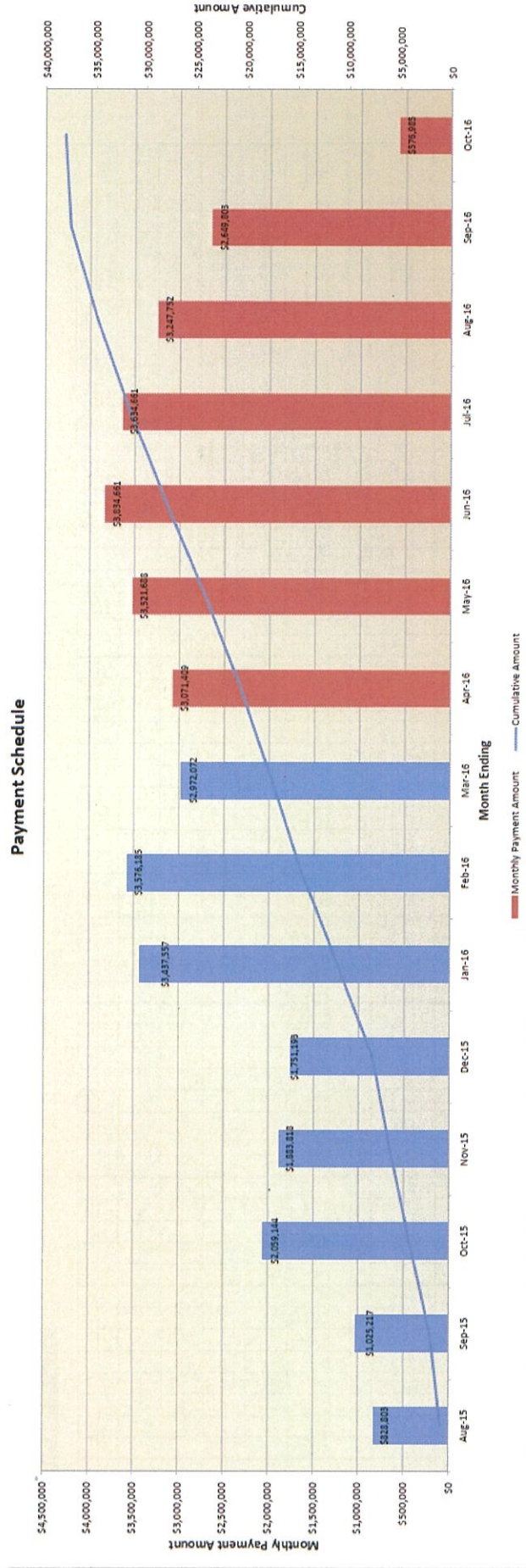
Review – Project Manager:

I have reviewed the above limits and

☐ are satisfied with the limits☐ are not satisfied with the limits and have requested modified approvals to the OM

Name	Signature	Date
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Attachment 4: 1.2A. Implement agreed financial-management processes and procedures to monitor actual expenditure against budget.



Month Ending	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
Cumulative Amount	\$222,823	\$1,246,020	\$3,298,165	\$4,482,003	\$6,273,203	\$9,711,140	\$13,287,255	\$16,259,327	\$19,330,756	\$22,642,439	\$26,477,100	\$30,311,761	\$33,459,493	\$36,109,296	\$36,488,181
Monthly Payment Amount	\$222,823	\$1,023,227	\$2,052,144	\$1,183,810	\$1,791,199	\$3,437,937	\$3,576,115	\$2,972,072	\$3,071,429	\$3,311,683	\$3,834,661	\$3,834,661	\$3,147,732	\$2,649,803	\$378,885



Department of Transport and Main Roads
PO Box 442
Nerang QLD 4211

ATTENTION: Mr. A. S. S.
PROJECT: Construction of the new bridge over the Nerang River

SUBJECT: SCHD 3280 - Progress Claim 7 -

As per Clause 42.1 of the GC&C please find attached the Progress Claim for the month of February

Value: \$ 3,604,771.76 (GST Excl)

Please find attached the following:

- Progress Claim Letter
- Progress Claim Summary
- SWIFT progress Claim 7 ~ Summary Report
- Statutory Declaration
- Bitumen Rise and Fall Index - Feb 16
- Bitumen Rise and Fall Calculations
- Variation Register Filtered for Progress Claim 7

If you have any queries please don't hesitate to contact me.

Yours faithfully,

SEYMOUR WHYTE CONSTRUCTIONS PTY LTD
/s/

Project Manager

PROJECT COMPLETION REPORT

PROJECT COMPLETION REPORT

Project Name: Project No: Page 2 of 3

2 Financials

Item	At Award	At Completion
Contract Value (excl GST)	\$	\$
Provisional Sums	\$	\$
Variations (Approved)		\$
Other Income	\$	\$
Total Project Revenue	\$	\$
Expenditure: Capital Expenditure	\$	\$
Site Overheads	\$	\$
Direct Costs	\$	\$
Provisional Sums	\$	\$
Variations (Approved)		\$
Total Project Costs	\$	\$
Margin	\$	\$
Margin (% of Total Project Revenue)	%	%

2.2 Cost Code Analysis (extra rows can be inserted)

The following is a summary of all the costs codes which individually vary (up or down) from the budget allowance by:

1. more than \$50,000; or
2. more than 5% of the original project margin; or
3. more than 50% for costs codes with a budget allowance of \$50,000 or more.

[illegible]

2.3 Variations Summary

Type	No	\$ Submitted	\$ Approved	Comments
Client Initiated Variations		\$	\$	
Qty Changes (SOR Only)		\$	\$	
Latent Conditions		\$	\$	
Time Related Claims		\$	\$	
Contractual Claims		\$	\$	
Other>>		\$	\$	
Totals		\$	\$	

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PROJECT COMPLETION REPORT

PROJECT COMPLETION REPORT Page 3 of 3

2.4 Attachments Checklist for Financials (mark when attached to this report)

☐ - Forecast Cost Summary Report ☐ - Variation Register

3 Programme

3.1 Key Dates		
Contract Completion Date.....		(inc all approved EDT's)
Practical Completion Date.....		

3.2 Programme Summary

Programs Component	Qty	Unit
Original Contract Duration	1	Year
Final Contract Duration	1	Year
As-Constructed Project Duration	1	Year
Completion Ahead / (Behind) Final Contract Duration	1	Year

3.3.3 Extensions of Time

Type	Submitted No	Approved No
Wet Weather		
Variations		
Other		
Total		

4 Other

4.1 Any Other Comments

5 Report Authorisation

Approved: _____ Project Manager _____ Title / Role _____ Signature _____ Date _____

