

Jobscope, the most comprehensive job costing and integrated business information system for your order-driven company, balances critical requirements, function, and technology while offering the comfort and confidence necessary to overcome your unique business challenges.



Cost/Schedule Control Systems Criteria

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Jobscope's Cost/Schedule Control Module allows the consolidation of data collected through the standard Jobscope system into the formats required jointly by the Departments of the Air Force, the Army, the Navy, and the Defense Logistics Agency.

Jobscope provides a framework for defining work, assigning work responsibility, establishing budgets, controlling and summarizing costs, with respect to planned versus actual accomplishments. Information is provided for all appropriate management levels and for periodic submission to the Government.

Jobscope provides the ten key elements of an effective Material Management and Accounting System (MMAS) as published by the Office of the Assistant Secretary of Defense (OASD).

Jobscope C/SCSC Is Designed to:

- Define all authorized work and related resources to meet the requirements of the contract, using the framework of the Contract Work Breakdown Structure (CWBS).
- Identify the organizational elements and the major subcontractors responsible for accomplishing the authorized work.
- Provide integration of the planning, scheduling, budgeting, work authorization and cost control systems with each other, the CWBS, and the organizational structure.
- Identify the managerial positions responsible for controlling overhead (indirect costs).
- Budget work scheduled within responsibility assignments.
- Accumulate accurate actual costs related to progress of the planned work.
- Compare the actual resources applied and the estimated resources planned for specific work assignments.
- Prepare reliable estimates of costs to complete remaining work.
- Analyze available information to identify problem areas in sufficient time to take remedial action.
- Maintain revisions to the contract including documentation changes to the baseline budgets for the work remaining.

Work Breakdown Structure

The Work Breakdown Structure (WBS) is a product-oriented family tree division of hardware, software, services, and other work tasks which organizes, defines, and graphically displays the product to be produced as well as the work to be accomplished. The Work Breakdown Structure usually exists in two forms: the Project Summary WBS and the Contract WBS.

The explosion of the Bill of Materials, Routings and Employee Tasks associated with all work form the Jobscope WBS. The lowest level in the WBS is the work package. Work packages may

be categorized in one of three ways: (1) discrete tasks which have a specific end product or end result; (2) work which does not result in a final product; for example, engineering, liaison, coordination or other support activities; and (3) factored effort which can be directly related to other identified discrete tasks; for example, quality control or inspection.

Organizational Breakdown Structure

The Organizational Breakdown Structure (OBS) is a responsibility-oriented family tree reflecting the way the people who will accomplish the work to be performed are organized. At the lowest level at which functional responsibility for an individual CWBS element exists, actual costs are accumulated and performance measurement is conducted.

Cost Accounts

Budgeting, work assignments, scheduling, cost collection, progress assessment, problem identification, and corrective actions all come together at the cost account. The cost account is the lowest level of data collection and is the main action point for planning and control of contractual effort.

Integration of the WBS and OBS

The Work Breakdown Structure and the Organizational Structure intersect at the cost account level as specific tasks or activities are assigned to individual employees or groups of employees.

An example of a typical Work Breakdown Structure and how it related to the company's Functional Organization is shown at the right.

The Rolling Wave Planning Concept

While all contractual effort is planned and controlled through work packages organized by the Work Breakdown Structure, it may not be practicable or possible to do such detailed planning for an entire contract at the outset.

Jobscope C/SCSC permits a "rolling wave" planning concept to be used in defining the WBS. Using this concept, work is planned in finite but sizable increments at the outset of a contract. These high-level increments provide a framework for the development of detailed work packages as the contract work is defined and planned in more detail. Thus, contractual effort is progressively divided into smaller segments as work on the contract proceeds and responsibility is assigned to successively lower levels of management.

Jobscope C/SCSC Data Analysis

Once the WBS and OBS are defined for the contract, the standard Jobscope package is able to integrate all operational and financial areas including the compiling of the original contract estimate/bid, tracking change orders from the customer, creating work orders (work packets), planning material requirements, controlling inventory, scheduling, collecting labor charges and activity status, and all financial record keeping.

Jobscope's C/SCSC option adds five basic data elements to Jobscope that are tracked throughout the contract and summarized from the lowest levels of the Work Breakdown Structure and the Organizational Structure:

Actual Cost of Work Performed (ACWP)

The costs actually incurred and recorded in accomplishing the work performed within a given time period.

Budgeted Cost for Work Scheduled (BCWS)

The sum of the budgets for all work packages, planning packages, etc., scheduled to be accomplished (including in-process work packages), plus the amount of level of effort and apportioned effort scheduled to be accomplished within a given time period.

Budgeted Cost for Work Performed (BCWP)

The sum of the budgets for completed work packages and completed portions of open work packages, plus the appropriate portion of the budgets for level of effort and apportioned effort.

Budget at Completion (BAC)

The sum of the budgets for completed work packages plus the budgets for all authorized work remaining.

Estimated Cost at Completion or Estimate at Completion (EAC)

Actual direct costs, plus indirect costs allocable to the contract, plus the estimate of costs (direct and indirect) for authorized work remaining.

ahead of schedule. Jobscope's formal time-phased scheduling system should be consulted to determine the status of specific activities and milestones.

- Comparisons of BAC and EAC are available at the cost account level to provide estimated variances expected at the completion of the contract. Cost account managers need to be alert to circumstances which will cause the variance at completion to change. Such expected changes in the variance at completion normally must be reported monthly to the Government.
- Comparisons of BCWP and ACWP show whether completed work has cost more or less than was planned for that work. Jobscope provides a complete analysis of these differences at the lowest possible level.
- Comparisons of BCWP with BCWS and with ACWP are provided at the cost account level. Cost accounts consist of work packages which are the responsibility of a single organization. This Jobscope report provides responsible management information at key control points so that corrective action may be taken should variance thresholds be exceeded. Higher level management reports are also available consisting of direct summaries of the cost account data.
- Cost/Schedule Status reporting is available for variances which exceed the contract thresholds. Jobscope recognizes that the potential for an excessive number of cost and schedule variances exists. In order to focus on those significant variances, variance thresholds which may vary with respect to the category of cost may be established within Jobscope.

Jobscope C/SCSC Reporting

As Jobscope collects detailed information about all activity relating to the contract, Cost Performance (CPR) and Cost/Schedule Status (C/SSR) reports are available at both detail and summary levels. Normally, data provided to the Government is summarized at the third level of the contract WBS or higher with detailed Government reporting restricted to those areas with significant cost or schedule impact.

The Government's C/SCSC does not specify the exact format of specific reports to be submitted from the contractor to the Government. However, Jobscope C/SCSC has created a number of important C/SCSC reports which are available in addition to the many standard Jobscope management reports. Jobscope C/SCSC reports comply with the types of data which must be derived to satisfy the criteria and aid in effectively managing the contract:

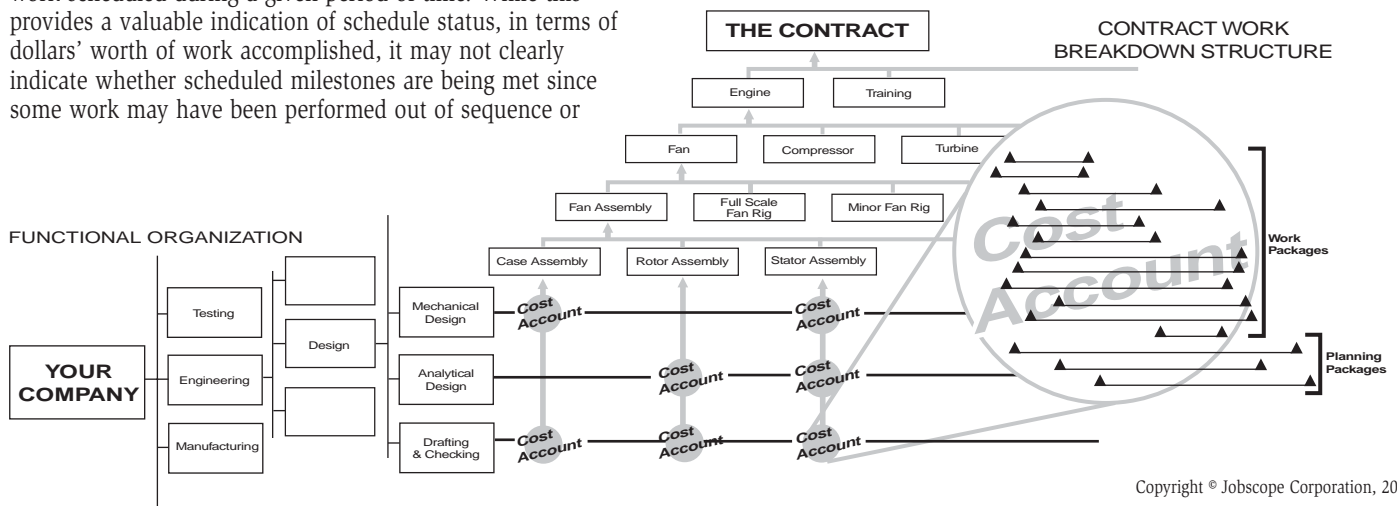
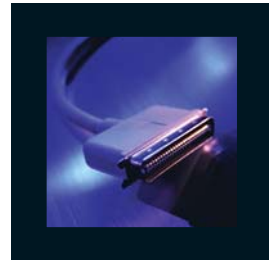
- Comparisons of BCWS with BCWP relate work completed to work scheduled during a given period of time. While this provides a valuable indication of schedule status, in terms of dollars' worth of work accomplished, it may not clearly indicate whether scheduled milestones are being met since some work may have been performed out of sequence or

Experience Jobscope

Comprehensive computer-based management systems are no longer beyond the reach of small and mid-sized government contractors. Jobscope combines estimating, materials-planning, production scheduling, and cost control into a unified computer plan accessed by all employees through on-line terminals.

A system as sophisticated and reliable as Jobscope can only be achieved through years of operation, review and enhancement.

We are ready at Jobscope Corporation to put our experience to work for you.





JOBSCOPE

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