

SIU at Carbondale

IT-390 Cost Estimating

Description:

Study of the techniques of cost estimating for Operation, Product, Project and System Design.

Textbook:

Cost Analysis and Estimating for Engineering and Management by Phillip F. Ostwald and Timothy S. McLaren, published by Prentice-Hall, New Jersey, 2004.

Course Learning Objectives:

1. To introduce the student to the framework and methodology of estimating cost required for business decisions.
2. To learn techniques for estimating labor, material, and overhead costs and to recognize their characteristics with respect to production volume.
3. To gain knowledge in the analytical techniques for evaluating alternatives including present value, present value index, discount rate of return, and payback.
4. To broaden understanding of the cost estimating function in a management system.

Evaluation of Student Performance:

<u>Exam #</u>	<u>Chapters Covered</u>	<u>Points</u>	<u>Grade Standard</u>
1	1,2,3,7	100	90% - A
2	4,5,8	100	80% - B
3	6, 9,10, 11	70	70% - C
Class Participation		30	60% - D
			<60% - F

Instructor:

Ray Baron, 314-941-9308
Email: raybaron2003@yahoo.com

Equipment:

A scientific calculator will be necessary. Know how to do logarithms on your calculator. Logarithms will not be taught in class.

Course Schedule:

1st Weekend: Chapters 1,2,3,7
2nd Weekend: Exam 1, Chapters 4,5,8
3rd Weekend: Exam 2, Chapters 6,9,10, 11, Exam 3

Expectations:

1. Exams not taken at scheduled times will be discounted unless there are extenuating circumstances.
2. On Exams, **show all work**. Do not skip steps.
3. Exams must be readable. Don't leave it up to me to decide what was written.

Assigned Problems: (Not required to turn in)

Chapter 1: 3, 9, 12

Chapter 2: 1(a), 2, 6(a), 7(a)

Chapter 3: 6(a)

Chapter 7: 1, 8(a, b)

Chapter 4: 2, 3, 15

Chapter 5: 3, 4(b)