Task 8 – Estimating the Cost of the Health-Care App

So I looked back at the user stories and story points I made earlier for each feature in the health-care app. I added up all the story points and got a total of **47** for the whole project. Since each story point costs about **$1,200**, that means the total cost to build the full app would be:

47 story points × $1,200 = $56,400

Now for the MVP version (the first version we plan to release), we're only including some of the main features. Those are:

- Fitness Tracker (5 points)
- Medication Tracker (8 points)
- Emergency Contact List (3 points)
- Emergency Medical Info (3 points)
- Usability for Older Adults (5 points)

That adds up to **24 story points** for the MVP. So the cost for just the MVP would be:

24 story points × $1,200 = $28,800

That's way under the MVP budget of $120,000, and the total cost for the full app is also way under the full budget of $350,000. So we're good! I don't need to change any story points or remove features. Everything fits the budget and looks on track.

Task 9 – EVM (Earned Value Management) Calculations

We've been working on the health app for about a month now, and we got some cost and schedule numbers from accounting:

- **PV (Planned Value)** = $105,000
- **EV (Earned Value)** = $122,000
- **AC (Actual Cost)** = $105,000
- **BAC (Budget at Completion)** = $350,000

Now here's what I calculated:

- **Cost Variance (CV)** = EV – AC = $122,000 – $105,000 = **$17,000**
  This means we're actually ahead of budget—we've done more work than we've paid for so far.
- **Schedule Variance (SV)** = EV – PV = $122,000 – $105,000 = **$17,000**
  So we're also ahead of schedule, which is great.

- **Cost Performance Index (CPI)** = EV ÷ AC = $122,000 ÷ $105,000 = **1.16**
  This means we're getting $1.16 worth of work for every $1.00 spent. That's really efficient.
- **Schedule Performance Index (SPI)** = EV ÷ PV = $122,000 ÷ $105,000 = **1.16**
  This shows we're moving a bit faster than expected.
- **Estimate at Completion (EAC)** = BAC ÷ CPI = $350,000 ÷ 1.16 = **$301,724**
  So if we keep working like this, we might finish the whole project for around $301,724, which is under budget.