

# TUTORIAL 5

## ➤ Multiple Choice:

1. \_\_\_\_\_ formerly called the budgeted cost of work scheduled, also called the budget, is that portion of the approved total cost estimate planned to be spent on an activity during a given period.

- a. Planned value (PV)
- b. Actual cost (AC)
- c. Earned value (EV)
- d. Cost baseline

2. \_\_\_\_\_ formerly called actual cost of work performed, is the total of direct and indirect costs incurred in accomplishing work on an activity during a given period.

- a. Planned value (PV)
- b. Actual cost (AC)
- c. Earned value (EV)
- d. Cost estimates

3. \_\_\_\_\_ formerly called the budgeted cost of work performed, is an estimate of the value of the physical work actually completed.

- a. Planned value (PV)
- b. Actual cost (AC)
- c. Earned value (EV)
- d. Basis of estimates

4. In a project, if the actual cost value is \$2000 and its earned value is \$4,000. what is its cost performance index?

- a. 2
- b. 1/2
- c. \$2000
- d. -\$2000

5. In a project, if the planned value is \$5000 and its earned value is \$1,000. what is its schedule performance index?

- a. 5
- b. 1/5
- c. \$4000
- d. -\$4000

6. In a project, if the planned value is \$1000 and its earned value is \$3,000. what is its schedule variance?

- a. \$2000
- b. -\$2000
- c. \$3000
- d. \$1000

7. \_\_\_\_\_ can be used to estimate the projected time to complete the project.

- a. Cost performance index
- b. Schedule performance index
- c. Project cost budgeting
- d. Earned value management

8. \_\_\_\_\_ can be used to estimate the project cost of completing the project based on performance.

- a. Cost performance index
- b. Schedule performance index
- c. Project cost budgeting
- d. Earned value management

9. If the actual cost for a WBS item is \$3000 and its earned value is \$2,000, what is its cost variance, and is it under or over budget?

- a. The cost variance is -\$1000, which is over budget.
- b. The cost variance is -\$1000, which is under budget.
- c. The cost variance is \$1000, which is over budget.
- d. The cost variance is \$1000, which is under budget.

10. If a project is halfway completed, its schedule performance index is 90%, and its cost performance index is 50%, how is it progressing?

- a. It is ahead of schedule and under budget.
- b. It is ahead of schedule and over budget.
- c. It is behind schedule and under budget.
- d. It is behind schedule and over budget.

➤ **Short Answer:**

1. What does Project cost control include? Can performance review meeting be a powerful tool to help control project costs?
2. Explain some of the typical problems with software cost estimates?
3. What is rate of performance (RP)? Give an example.
4. What is meant by project Portfolio management? How many levels has the Project portfolio management?
5. Give an example of how-to use software to assist in cost management.

**SUBMISSION:**

- Write your answer in a Word document
- Save file as: *FullName\_StudentID\_Class\_Tutorial5*