

## Group 6 Cost-Benefit Analysis

10/21/2014

	2014	2015	2016	2017	2018	
<b>Development Costs</b>						
Server	0.00	0.00	0.00	0.00	0.00	
Printer	0.00	0.00	0.00	0.00	0.00	
Software	0.00	0.00	0.00	0.00	0.00	
Development labor	89,420.00	0.00	0.00	0.00	0.00	
<b>Total Development Costs</b>	<b>89,420.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>89,420.00</b>
<b>Operational Costs</b>						
HW maintenance	0.00	0.00	0.00	0.00	0.00	
SW maintenance	0.00	1,000.00	1,000.00	1,000.00	1,000.00	
Labor	0.00	0.00	0.00	0.00	0.00	
HW upgrade	0.00	0.00	0.00	0.00	0.00	
SW upgrade	0.00	0.00	5,000.00	0.00	0.00	
<b>Total Operational Costs</b>	<b>0.00</b>	<b>1,000.00</b>	<b>6,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>9,000.00</b>
<b>Benefits</b>						
Increased Sales	0.00	0.00	0.00	0.00	0.00	
Reduction Labor Costs	0.00	20,800.00	20,800.00	20,800.00	20,800.00	
Reduction in customer calls	0.00	10,400.00	10,400.00	10,400.00	10,400.00	
Reduction Material Costs	0.00	700.00	700.00	700.00	700.00	
<b>Total Benefits</b>	<b>0.00</b>	<b>31,900.00</b>	<b>31,900.00</b>	<b>31,900.00</b>	<b>31,900.00</b>	<b>127,600.00</b>
<b>Total Costs</b>	<b>89,420.00</b>	<b>1,000.00</b>	<b>6,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>98,420.00</b>
<b>Total Benefits - Total Costs</b>	<b>-89,420.00</b>	<b>30,900.00</b>	<b>25,900.00</b>	<b>30,900.00</b>	<b>30,900.00</b>	<b>29,180.00</b>
<b>Cumulative Net Cash Flow</b>	<b>-89,420.00</b>	<b>-58,520.00</b>	<b>-32,620.00</b>	<b>-1,720.00</b>	<b>29,180.00</b>	
<b>Return on Investment</b>	<b>0.30</b>					
<b>Break Even</b>	<b>4.06</b>					

<b><u>Development Labor:</u></b>	<b><u>Projected</u></b>
Iteration 0	0
Iteration 1	447.1
<b>Total</b>	<b>447.1</b>