

## WBS 9.5: Bicycle Project Procurement Management Plan

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PMGT 614 Planning, Directing, and Controlling Projects

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### **Abstract**

The following document will develop procurement closure package based on the “Appendix D: Bicycle work breakdown structure (WBS) example” (Project Management Institute, 2006, pp. 51-63)

### Part 1: Payment Criteria, Summary and Acceptance Signatures

Project Name/Number:  ABC Mountain Bike	Prepared by:  Dustin Dickens	Date:  05-10-2017
Customer/End User Group:  Target Corp.	Project Manager:  Billy Bob	Project Sponsor:  Ride Inc.
COST (Within established budget) YES/NO  YES	SCHEDULE (Within agreed to schedule) YES/NO  YES	PERFORMANCE (Meets deliverables) YES/NO  YES

*Acceptance Quality Limit (AQL):* ABC Incorporated will use standard random sampling techniques to evaluate/inspect the bicycle components. This is accomplished through sampling for inspection by attributes, using an assigned AQL.

### COMPONENT ACCEPTANCE

CLIN	Description	Acceptance Criteria	Sample Size	AQL	Allowable Defects per 2,500 produced
001	Bicycle frame top tube	Length shall be 24" (inches)	2,500	1.0	3 or less
002	Bicycle chain stay	Length shall be 4.1" (inches)	2,500	1.0	3 or less
003	Bicycle head tube angle	Shall be 67 degrees	2,500	1.0	3 or less
004	Bicycle wheel base	Shall be 45.7" (inches)	2,500	1.0	3 or less
005	Bicycle frame load (static) and fatigue tests	Full test report shall be submitted showing 100% pass rate of all bicycle frame load (static) and fatigue tests using EFB test standard <b>Invalid source specified..</b>			

*COMPONENT ACCEPTANCE RESULTS:* All components delivered within established limits.

**PROCUREMENT ACCEPTANCE** (**GREEN**: Within agreed to parameters, **RED**: Outside of agreed parameters)

Cost	Schedule	Performance

**ACCEPTANCE CRITERIA:** Final acceptance will only be complete when all contract line items and deliverables are satisfactorily met in accordance with the delivery schedule and quality assurance plans. The Contract Line Item Numbers (CLIN) listed above must be delivered to the location and within the timeframes established in this contract. If at any point the contractor fails to deliver any items, fails to make any item or process available for inspection or fails to meet the delivery schedule timeframes. The contractor will be required to re-perform, correct the deficiency or replace the product/service at no charge to ABC Incorporated. If for some reason the product or service cannot be corrected, the value of the contract will be reduced by the amount of the defect plus an additional 10% of that defect value as a surcharge. If the contractor fails to promptly correct or replace the discrepant work, ABC may replace the failed product or supply (by any means necessary) or terminate the contract agreement for default.

### SUMMARY

ABC Incorporated, thank you for the on-time delivery of all items bicycle items per the contract agreement. Because of your on-time delivery and zero defect quality your supplier rating has been raised to 100%. In addition, you have earned platinum status. This status gives you priority for all future competitive bids. We appreciate the efforts and look forward to working with you in the future.

**INVOICE PAYMENT AUTHORIZATION (ACCEPTANCE AND CLOSURE DISPOSITION)**

Payment of the TOTAL APPROVED INVOICED AMOUNT listed is authorized when APPROVED and SIGNED below.  
 NOTE: This can only occur if COST, SCHEDULE AND PERFORMANCE parameters are identified GREEN under PROCUREMENT ACCEPTANCE.

**TOTAL APPROVED INVOICED AMOUNT: \$1,075,000.00 USD**

<input checked="" type="checkbox"/>	APPROVE	Comments: Payment is authorized.
<input type="checkbox"/>	CORRECT/REVISE AND RESUBMIT	Comments:
<input type="checkbox"/>	REJECT DELIVERABLE	Comments:

*Billy Bob 05/16/17*

*Dustin Dickens 05/16/17*

\_\_\_\_\_  
 PROJECT MANAGER NAME/SIGNATURE/DATE

\_\_\_\_\_  
 APPROVAL AUTHORITY NAME/SIGNATURE/DATE

**Part 2 (a): Work Breakdown Structure (Scope)****1. Mountain Bicycle Design****1.1. Manufacture Frame Set****1.1.1. Form Frame****1.1.2. Form Handlebar****1.1.3. Form Fork****1.1.4. Build Seat****1.2. Develop Crank Set****1.3 Manufacture Wheels****1.3.1. Fabricate Front Wheel****1.3.2. Fabricate Rear Wheel****1.3.3 Fabricate Left Training Wheel Assembly****1.3.4 Fabricate Right Training Wheel Assembly****1.4. Develop Braking System**

- 1.4.1. Manufacture Hydraulic Disk Brake Mechanism
- 1.4.2. Manufacture Hydraulic Disk Brake Caliper
- 1.4.3. Manufacture Hydraulic Disk Brake Handle Lever and Mechanism
- 1.4.4. Manufacture Hydraulic Disk Brake Cable Assembly
- 1.5. Produce Shifting System
  - 1.5.1. Manufacture Trigger Shifting Lever
  - 1.5.2. Construct Trigger Shifting Mount Bracket
  - 1.5.3. Manufacture Trigger Shifting Cable Assembly
- 1.6. Develop Smart Phone Speaker Dock
  - 1.6.1. Fabricate Speaker Assembly
  - 1.6.2. Design Dock Assembly
  - 1.6.3. Construct Mounting Bracket
- 1.7. Perform Integration
  - 1.7.1. Develop Concept
  - 1.7.2. Construct Design
  - 1.7.3 Complete Assembly
  - 1.7.4. Complete Testing
    - 1.7.4.1. Preform Component Testing
    - 1.7.4.2. Preform Product Testing
    - 1.7.4.3. Preform Customer Testing
- 1.8. Complete Project Management

## **Part 2 (b): Procurement (Scope)**

The basic approach to this procurement effort is summarized below.

**Types of contracts to be used:** Any component or partial built sections of the overall product will be purchased on a firm fixed price contract. Prices will be negotiated at the time just prior to

award to establish a fair market price for any products that have a volatile market (price instability).

**Risk Management Issues:** Several risk management issues will be tracked by the project team for components that will be procured by outside sources and be the responsibility of the project manager to ensure they are not realized. The risk management issues include, but are not limited to, poor communications, carelessness with vendors, and key personnel losses in user areas (Shacklett, 2012). Mitigation plans for all identified risks shall be submitted to senior management's review and approval.

**Independent Estimates:** Subject Matter Experts (SMEs) within the company will be responsible for submitting estimates for any outsourced parts. If a SME is not currently employed by the company in a particular area that is being procured, market research will be conducted and an estimate drafted by a designated team member. NOTE: This estimate will be used to budget for procuring the part(s), however, competition will drive the final price.

**Unilateral Actions:** The Project Manager may take unilateral actions for any change of less than \$50,000 if the proper training has been conducted and the project manager has been certified as a Contracting Officer Representative (COR). The Project Manager must ensure that a change log is updated and that the balance is tracked. The Project Manager may not approve a change if funding is not currently available. Any change above \$50,000 must be sent to the purchasing department/contracting officer for review and approval.

**Standardized Procurement Documents:** All procurement documents have been standardized and must be used in accordance with Organizational procedures. Any questions about standardized procurement documents should be sent to the purchasing department.



**Managing multiple suppliers:** All suppliers information should be placed into the project folder under the supplier folder (this file shall be electronic and on a network drive accessible to all team members and upper management). This information shall include company name, phone number, address, points of contact, email addresses, the contract, and delivery schedule. Each applicable SME shall be the first line of communication between the supplier and the project team. All communications must be, at a minimum, summarized for the project managers review, and if needed, approval.

**Coordinating Procurement(s):** For purchases of less than \$50,000 (if the project manager has been certified as a COR), the project manager should incorporate any schedule/performance reporting into the changes log as well as the weekly status report. For purchases greater than \$50,000 a change request should be sent to senior management for approval that includes the expected schedule changes as well as performance reporting. If the change is approved, the procurement department/Contracting Officer will communicate directly with the project manager to negotiate the impacts of schedule and performance with the supplier.

**Constraints and Assumptions:** All procurements are affected by the amount of funding available to make changes or to outsource components. Other constraints include deliverable timelines, quality parameters, and being unable to manage how components are made (if outsourcing). Assumptions include the quality of workmanship for materials and components meet the standard as set by the market (four outsourced products), and that these standards are universal.

**Lead Time:** An estimated schedule impact of each component can be attained from either SMEs or utilizing market research. Long lead time items will need to be procured as early as possible to meet customer driven schedule deadlines. In addition, long lead time items require

approval at the highest point in the management chain because once they are ordered changes to these times must be kept at an absolute minimum to reduce catastrophic schedule impacts and associated increased costs.

**Make-or-Buy Decisions:** This decision is made by SMEs and the project manager with approval coming from senior management. Parts or components that can be produced from an outside source in less time or at a reduced cost should be analyzed as to whether or not they should be made in house or outsourced to another company. Resources and schedules should be compared for each part or component to make this determination.

**Schedule Dates:** All schedule dates for contract deliverables shall be coordinated with the project manager.

**Bonds and Insurance:** All contracts over \$2,000 require insurance. Contracts in excess of \$35,000 require, at a minimum, performance bonds. Any contract in excess of \$150,000 require both payment and performance bonds.

**Work Breakdown Structure (WBS):** A WBS is required for all outsourced deliverables. The WBS will be provided in the requirements documents and all offerors shall complete and submit the WBS for review in response to the solicitation.

**SOW Form/Format:** The procurement office/contracting officer are responsible for the standardization of the SOW format.

**Prequalified Sellers:** Full and open competition will be used. Prequalified sellers will not be utilized. Offerors must meet criteria set forth in the SOW.

**Procurement Metrics:** Contract administrators will be assigned by Contracting Officers to manage contracts. SMEs will be incorporated into the acquisition team to evaluate the technical approaches/responses of qualified vendors.

### Part 3 (a): Original Compressed Bicycle Schedule

	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Successors
1		1. Mountain Bicycle Design	344 days	Mon 3/27/17	Thu 7/19/18		
2		1.1. Manufacture Frame Set	100 days	Mon 3/27/17	Fri 8/11/17		27,7,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26
3		1.1.1. Form Frame	60 days	Mon 3/27/17	Fri 6/16/17		4,6,9,10,8
4		1.1.2. Form Handlebar	25 days	Mon 6/19/17	Fri 7/21/17	3	5
5		1.1.3. Form Fork	15 days	Mon 7/24/17	Fri 8/11/17	4	9,10,8
6		1.1.4. Build Seat	15 days	Mon 6/19/17	Fri 7/7/17	3	
7		1.2. Develop Crank Set	70 days	Mon 8/14/17	Fri 11/17/17	2	27,16,17,18,19,24,20
8		1.3 Manufacture Wheels	25 days	Mon 8/14/17	Fri 9/15/17	3,5	27,11,12,13,14,15,16,17,18,19,24,20
9		1.3.1. Fabricate Front Wheel	25 days	Mon 8/14/17	Fri 9/15/17	3,5	
10		1.3.2. Fabricate Rear Wheel	25 days	Mon 8/14/17	Fri 9/15/17	3,5	
11		1.4. Develop Braking System	55 days	Mon 9/18/17	Fri 12/1/17	8,2	27,16,17,18,19,24,20
12		1.4.1. Manufacture Hydraulic Disk Brake Mechanism	30 days	Mon 9/18/17	Fri 10/27/17	2,8	13,14
13		1.4.2. Manufacture Hydraulic Disk Brake Caliper	20 days	Mon 10/30/17	Fri 11/24/17	2,8,12	15
14		1.4.3. Manufacture Hydraulic Disk Brake Handle Lever and Mechanism	25 days	Mon 10/30/17	Fri 12/1/17	2,8,12	
15		1.4.4. Manufacture Hydraulic Disk Brake Cable Assembly	5 days	Mon 11/27/17	Fri 12/1/17	2,8,13	
16		1.5. Produce Shifting System	37 days	Mon 12/4/17	Tue 1/23/18	2,7,8,11	27,24,20
17		1.5.1. Manufacture Trigger Shifting Lever	30 days	Mon 12/4/17	Fri 1/12/18	2,7,8,11	18
18		1.5.2. Construct Trigger Shifting Mount Bracket	2 days	Mon 1/15/18	Tue 1/16/18	2,7,8,11,17	19
19		1.5.3. Manufacture Trigger Shifting Cable Assembly	5 days	Wed 1/17/18	Tue 1/23/18	2,7,8,11,18	
20		1.6. Develop Smart Phone Speaker Dock	32 days	Wed 1/24/18	Thu 3/8/18	2,7,8,11,16	27,24
21		1.6.1. Fabricate Speaker Assembly	20 days	Wed 1/24/18	Tue 2/20/18	2	22
22		1.6.2. Design Dock Assembly	10 days	Wed 2/21/18	Tue 3/6/18	2,21	23
23		1.6.3. Construct Mounting Bracket	2 days	Wed 3/7/18	Thu 3/8/18	2,22	
24		1.7. Perform Integration	95 days	Fri 3/9/18	Thu 7/19/18	2,7,8,11,16,20	
25		1.7.1. Develop Concept	30 days	Fri 3/9/18	Thu 4/19/18	2	
26		1.7.2. Construct Design	20 days	Fri 3/9/18	Thu 4/5/18	2	27
27		1.7.3 Complete Assembly	25 days	Fri 4/6/18	Thu 5/10/18	2,7,8,11,16,26,20	28,29,30
28		1.7.4. Complete Testing	50 days	Fri 5/11/18	Thu 7/19/18	27	
29		1.7.4.1. Preform Component Testing	10 days	Fri 5/11/18	Thu 5/24/18	27	30
30		1.7.4.2. Preform Product Testing	20 days	Fri 5/25/18	Thu 6/21/18	27,29	31
31		1.7.4.3. Preform Customer Testing	20 days	Fri 6/22/18	Thu 7/19/18	30	
32		1.8. Complete Project Management	344 days	Mon 3/27/17	Thu 7/19/18		

Figure 1: Original Compressed Bicycle Schedule 1 (Critical Path Highlighted)

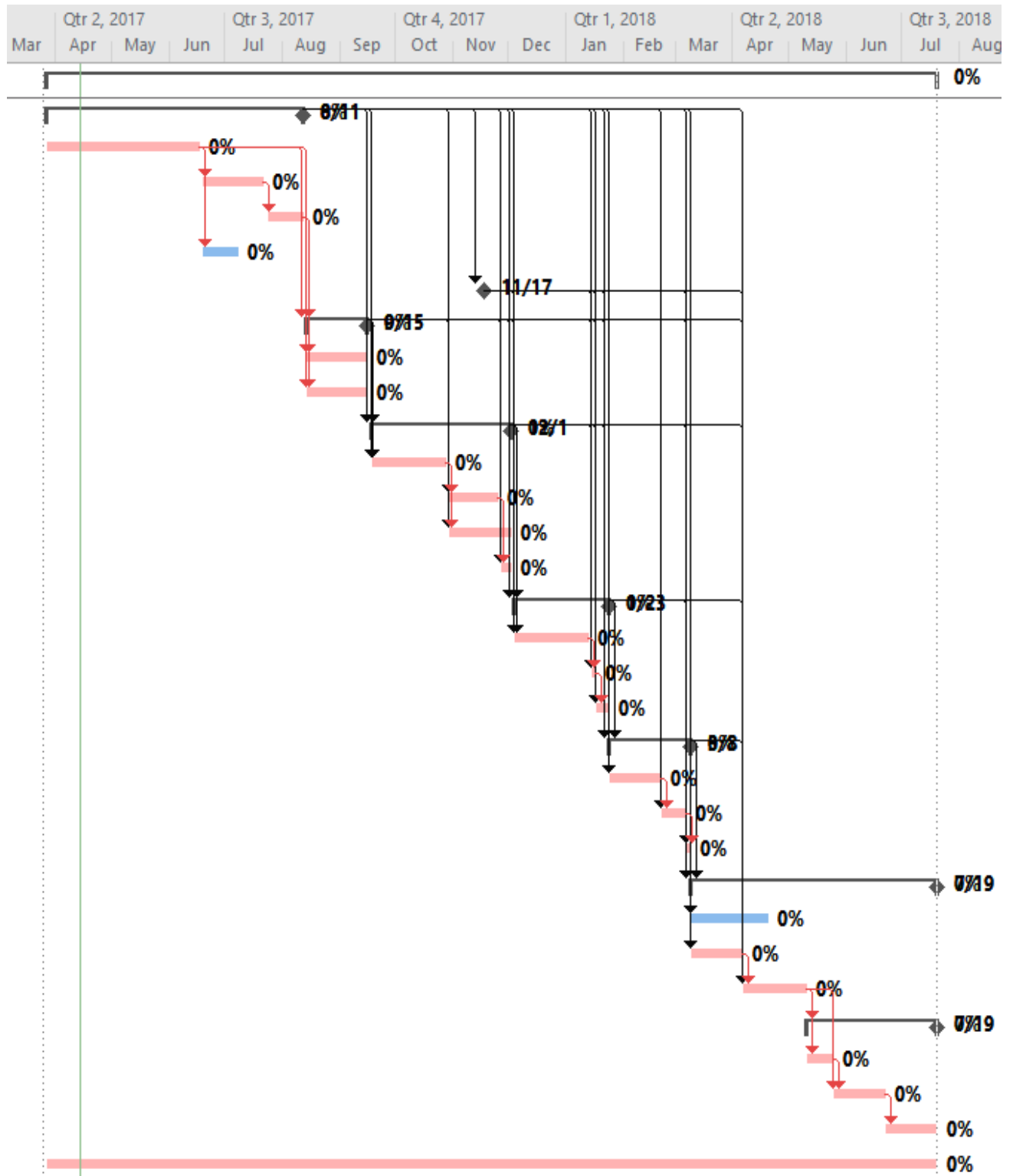


Figure 2: Original Compressed Bicycle Schedule 2 (Critical Path Highlighted)

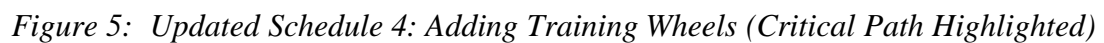
### Part 3 (b): Updated Schedule: Adding Training Wheels

	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Successors
1		1. Mountain Bicycle Design	354 days	Mon 3/27/17	Thu 8/2/18		
2		1.1. Manufacture Frame Set	100 days	Mon 3/27/17	Fri 8/11/17		29,7,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28
3		1.1.1. Form Frame	60 days	Mon 3/27/17	Fri 6/16/17		4,6,9,10,8,11,12
4		1.1.2. Form Handlebar	25 days	Mon 6/19/17	Fri 7/21/17	3	5
5		1.1.3. Form Fork	15 days	Mon 7/24/17	Fri 8/11/17	4	9,10,8,11,12
6		1.1.4. Build Seat	15 days	Mon 6/19/17	Fri 7/7/17	3	
7		1.2. Develop Crank Set	70 days	Mon 8/14/17	Fri 11/17/17	2	29,18,19,20,21,26,22
8		1.3 Manufacture Wheels	35 days	Mon 8/14/17	Fri 9/29/17	3,5	29,13,14,15,16,17,18,19,20,21,26,22
9		1.3.1. Fabricate Front Wheel	25 days	Mon 8/14/17	Fri 9/15/17	3,5	
10		1.3.2. Fabricate Rear Wheel	25 days	Mon 8/14/17	Fri 9/15/17	3,5	
11		1.3.3 Fabricate Left Training Wheel Assembly	35 days	Mon 8/14/17	Fri 9/29/17	3,5	
12		1.3.4 Fabricate Right Training Wheel Assembly	35 days	Mon 8/14/17	Fri 9/29/17	3,5	
13		1.4. Develop Braking System	55 days	Mon 10/2/17	Fri 12/15/17	8,2	29,18,19,20,21,26,22
14		1.4.1. Manufacture Hydraulic Disk Brake Mechanism	30 days	Mon 10/2/17	Fri 11/10/17	2,8	15,16
15		1.4.2. Manufacture Hydraulic Disk Brake Caliper	20 days	Mon 11/13/17	Fri 12/8/17	2,8,14	17
16		1.4.3. Manufacture Hydraulic Disk Brake Handle Lever and Mechanism	25 days	Mon 11/13/17	Fri 12/15/17	2,8,14	
17		1.4.4. Manufacture Hydraulic Disk Brake Cable Assembly	5 days	Mon 12/11/17	Fri 12/15/17	2,8,15	
18		1.5. Produce Shifting System	37 days	Mon 12/18/17	Tue 2/6/18	2,7,8,13	29,26,22
19		1.5.1. Manufacture Trigger Shifting Lever	30 days	Mon 12/18/17	Fri 1/26/18	2,7,8,13	20
20		1.5.2. Construct Trigger Shifting Mount Bracket	2 days	Mon 1/29/18	Tue 1/30/18	2,7,8,13,19	21
21		1.5.3. Manufacture Trigger Shifting Cable Assembly	5 days	Wed 1/31/18	Tue 2/6/18	2,7,8,13,20	
22		1.6. Develop Smart Phone Speaker Dock	32 days	Wed 2/7/18	Thu 3/22/18	2,7,8,13,18	29,26
23		1.6.1. Fabricate Speaker Assembly	20 days	Wed 2/7/18	Tue 3/6/18	2	24
24		1.6.2. Design Dock Assembly	10 days	Wed 3/7/18	Tue 3/20/18	2,23	25
25		1.6.3. Construct Mounting Bracket	2 days	Wed 3/21/18	Thu 3/22/18	2,24	

Figure 3: Updated Schedule 1: Adding Training Wheels (Critical Path Highlighted)

26		1.7. Perform Integration	95 days	Fri 3/23/18	Thu 8/2/18	2,7,8,13,18,22	
27		1.7.1. Develop Concept	30 days	Fri 3/23/18	Thu 5/3/18	2	
28		1.7.2. Construct Design	20 days	Fri 3/23/18	Thu 4/19/18	2	29
29		1.7.3 Complete Assembly	25 days	Fri 4/20/18	Thu 5/24/18	2,7,8,13,18,28,22	30,31,32
30		1.7.4. Complete Testing	50 days	Fri 5/25/18	Thu 8/2/18	29	
31		1.7.4.1. Preform Component Testing	10 days	Fri 5/25/18	Thu 6/7/18	29	32
32		1.7.4.2. Preform Product Testing	20 days	Fri 6/8/18	Thu 7/5/18	29,31	33
33		1.7.4.3. Preform Customer Testing	20 days	Fri 7/6/18	Thu 8/2/18	32	
34		1.8. Complete Project Management	354 days	Mon 3/27/17	Thu 8/2/18		

Figure 4: Updated Schedule 2: Adding Training Wheels (Critical Path Highlighted)



### Part 3 (c): Updated Budget

				Labor Hours By Labor Category							
Labor	Detailed Schedule Activities/Task Descriptions	Start Date or Predecessor	Estimated Duration (days)	Frame Assy	Crank Assy	Wheel Assy	Braking Assy	Shifting Assy	Smart Phone Speaker Dock Assy	Testing	
				/Skill/	/Skill/	/Skill/	/Skill/	/Skill/	/Skill/	/Skill/	
				Resource	Resource	Resource	Resource	Resource	Resource	Resource	
1	Manufacturing	3/27/2017	254	60	70	25	30	37	32		
2	Calibration	10/16/2017	70	-	-	-	-	-	-	70	
	Total Work Hours( 6hrs day for 304 days)	1,944									
	Labor Rate	\$21.65									
	Total Cost by Labor Category	\$42,087.60									
Travel	Purpose/Activity		Travel Dates	Location	No. Trips	No. Travlers	Per Diem	Hotel	Airline/Car	Rental Car	Est. \$\$\$
1	Site visit		10/30/17-11/03/17	Raleigh, NC	1	4	\$71.50	\$80.00	\$150pp	\$39.95	\$1,891.90
SUB-TOTAL (Travel)											\$1,891.90
Materials	Item Description/Activity			Vendor	Qty	Unit Price	Total \$	Lead Time (days)	Del Date		Est. \$\$\$
1	Frame Assy			Frames r Us	2500	\$100.00	\$250,000.00	100	8/11/2017		\$250,000.00
2	Crank Assy			Cycle partz	2500	\$75.00	\$187,500.00	70	11/17/2017		\$187,500.00
3	Wheel Assy			Rollin	5000	\$30.00	\$150,000.00	25	9/15/2017		\$150,000.00
4	Braking Assy			Whoa, Inc	2500	\$35.00	\$87,500.00	55	12/1/2017		\$87,500.00
5	Shifting Assy			Smooth Speed	2500	\$95.00	\$237,500.00	37	1/23/2018		\$237,500.00
6	Smart Phone Speaker Dock			Tectronic	2500	\$20.00	\$50,000.00	32	3/8/2018		\$50,000.00
SUB-TOTAL (Material)											\$962,500.00
Subcontract	Task Statement/Activity/SOW Ref.			Contractor	Location	Total \$	Comp. Date				Est. \$\$\$
1	Shipping			Ship 4 U	Raleigh, NC	\$10,000.00	7/19/2018				\$10,000.00
2	Warehouse			Distro Hub	Omaha, NE	\$7,000.00	7/19/2018				\$7,000.00
3	1.3.3 & 1.3.4/ Fabricate Left and Right Training Wheel Assemblies			Wheelie	Austin, TX	\$112,500.00	9/25/2017				\$112,500.00
SUB-TOTAL (Subcontract)											\$129,500.00
ODC	Explanation/Activity			Vendor	Qty	Unit Price	Total \$	Lead Time			Est. \$\$\$
1	Packaging			ULINE	2500	\$7.76	\$19,400.00	60			\$19,400.00
2	Desiccant, bucket/150 packets each			ULINE	16	\$46.00	\$736.00	25			\$736.00
SUB-TOTAL (ODC)											\$20,136.00
NEW PROJECT TOTAL (ADDING TRAINING WHEELS)											\$1,156,115.50
OLD Project TOTAL											\$1,041,017.50
COST SAVINGS											(\$115,098.00)

Figure 6: Updated Budget

Change Comparison OVERALL	Original Cost (Project Start)	Adjusted Cost	Difference	Percent Difference
LABOR	\$ 44,815.50	\$42,087.60	\$ 2,727.90	6.09%
TRAVEL	\$ 1,891.90	\$1,891.90	\$ -	0.00%
MATERIAL	\$ 1,212,500.00	\$962,500.00	\$ 250,000.00	20.62%
SUBCONTRACT	\$ 17,000.00	\$129,500.00	\$ (112,500.00)	-661.76%
ODC	\$ 20,136.00	\$20,136.00	\$ -	0.00%
Total	\$ 1,296,343.40	\$ 1,156,115.50	\$ 140,227.90	10.82%

Figure 7: Budget Comparison

### Part 4: Change Requests

#### Change 1: Compression

Project Name		ABC Inc. Bicycle Project	
Project Manager		Dustin Dickens	Change Request Date 04/12/2017
Requested by		Bobby Bonilla	Department Multiple (Planning, Quality)
Change Request Identification (Provided by the project manager)			
Change Request #		100001	
Change Title		Project Compression (Schedule, Budget, Manufacturing, Planning)	
Change Request Details (Provided by the requestor)			
Reference	Description		Rationale/Reason (Goal)
1	Increase frame heat and compression ratio on frame forming equipment (task 1.1.1)		This reduces frame forming time from 120-60 days (task 1.1.1)
2	Independently develop crank set (task 1.2) by re-configuring the design specifications. Remove manufacture wheels (task 1.3) predecessor		Correctly aligns tasks



<b>4</b>	Reevaluate the time needed to develop the integration concept (1.7.1)	Reduces integration concept (task 1.7.1) completion time from 75 to 30 days
<b>5</b>	Reevaluate the time needed to construct the design (1.7.2)	Reduces integration construct design task 1.7.2 completion time from 30-20 days
<b>Evaluation</b> (Provided by the evaluation team) Include as appropriate:		
<b>Scope</b>	All items within scope of current project. Implementation will have the impacts listed below:	
<b>Schedule</b>	The achievements will allow total schedule compression of 85 work days from the Original Finish Date of 11/15/2018 to the <b>New Finish Date of 07/19/2018</b>	
<b>Cost</b>	Changes will result in an overall budget reduction of <b>\$255,325.90</b> from \$1,296,343.40 to \$1,041,017.50.	
<b>Quality</b>	Possible Impact to quality may arise when adjusting frame forming equipment. Need to ensure quality oversight.	
<b>PRIORITY:</b>		
<input type="checkbox"/> LOW <input type="checkbox"/> MEDIUM <input checked="" type="checkbox"/> HIGH		
<b>DECISION/DISPOSITION:</b>		
<div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> <b>APPROVE</b>  <input type="checkbox"/> <b>CORRECT/REVISE AND RESUBMIT</b>  <input type="checkbox"/> <b>REJECT DELIVERABLE</b> </div> <div> <b>Comments:</b> _____  <b>Comments:</b> _____  <b>Comments:</b> _____         </div> </div>		
<b>FUNDING SOURCE:</b>		
Zero cost impact (\$0)		
<b>AUTHORITY/SIGNATURE:</b>		

<i>DUSTIN DICKENS</i>	<i>Jenna BILLARD</i>
PROJECT MANAGER NAME/SIGNATURE/DATE	APPROVAL AUTHORITY NAME/SIGNATURE/DATE

***Change 2: Add training Wheels***

<b>Project Name</b>	ABC Inc. Bicycle Project		
<b>Project Manager</b>	Dustin Dickens	<b>Change Request Date</b>	04/19/2017
<b>Requested by</b>	Bobby Bonilla	<b>Department</b>	Multiple (Planning, Supplier Management, Quality)
<b>Change Request Identification (Provided by the project manager)</b>			
<b>Change Request #</b>	100002		
<b>Change Title</b>	Add Training Wheels to Mountain Bike		
<b>Change Request Details (Provided by the requestor)</b>			
<b>Reference</b>	<b>Description</b>	<b>Rationale/Reason (Goal)</b>	
1	Add (1) One set of training wheels to the mountain bike	Aid stability	
2	Update Schedule to reflect Item 1 above	Will change schedule	
3	Update Budget to reflect Item 1 above	Will change budget	
N/A			
<b>Evaluation (Provided by the evaluation team) Include as appropriate:</b>			

<b>Scope</b>	<i>The scope of the project WBS, schedule and budget will change. In addition, the goal is to procure the item from the approved vendor list.</i>	
<b>Schedule</b>	<i>This will <b>add 10 days</b> to the schedule and becomes apart of the critical path. The subcontract oversight labor does not increase the overall schedule because it is accomplished within the dates already programmed.</i>	
<b>Cost</b>	<i>Changes will result in a budget increase of <b>\$112,500.00 in Subcontracts and \$2598.00 in Labor (subcontract oversight)</b>. An overall cost increase of <b>\$115,098.00</b> from \$1,041,017.50 to \$1,156,115.50.</i>	
<b>Quality</b>	<i>Possible Impact to quality with the outsourcing of the training wheel assemblies.</i>	
<b>PRIORITY:</b>		
<input type="checkbox"/> LOW <input type="checkbox"/> MEDIUM <input checked="" type="checkbox"/> HIGH		
<b>DECISION/DISPOSITION:</b>		
<div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> <b>APPROVE</b>  <input type="checkbox"/> <b>CORRECT/REVISE AND RESUBMIT</b>  <input type="checkbox"/> <b>REJECT DELIVERABLE</b> </div> <div> <b>Comments:</b> _____  <b>Comments:</b> _____  <b>Comments:</b> _____         </div> </div>		
<b>FUNDING SOURCE:</b>		
<b>Budget Savings from initial process and schedule improvements.</b>		
<b>AUTHORITY/SIGNATURE:</b>		
<div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <i>DUSTIN DICKENS</i>  <hr style="width: 100%;"/>           PROJECT MANAGER NAME/SIGNATURE/DATE         </div> <div style="text-align: center;"> <i>Jenna BILLARD</i>  <hr style="width: 100%;"/>           APPROVAL AUTHORITY NAME/SIGNATURE/DATE         </div> </div>		

**Change 3: EVM Change**

Change Request Form			
<b>Project Name</b>	ABC Inc. Bicycle Project		
<b>Project Manager</b>	Dustin Dickens	<b>Change Request Date</b>	4/30/2017
<b>Requested by</b>	Bobby Bonilla	<b>Department</b>	Multiple (Planning, Supplier Management, Quality)
<b>Change Request Identification</b> (Provided by the project manager)			
<b>Change Request #</b>	100003		
<b>Change Title</b>	Earned Value Management (EVM) Change Request (Multiple Item)		
<b>Change Request Details</b> (Provided by the requestor)			
<b>Reference</b>	<b>Description</b>	<b>Rationale/Reason (Goal)</b>	
1	Establish quality assurance team will be to approve and sign supplier invoices for all sub-contracted parts (1.1, 1.2, 1.3, 1.4, 1.5, & 1.6)	Add quality oversight of invoices. To bring cost/schedule into compliance.	
2	Update Performance work statement (PWS)/Statement of work (SOW) Delivery section to read: "schedule variance cannot exceed 5% and the associated budget (supplier invoices) cannot exceed the value of the schedule. For example if the schedule is reduced 5% the budget/cost/supplier invoice can only increase to represent the value of the schedule savings. Furthermore supplier quality assurance team will ensure all changes are equitable and approve all invoices"	This will enforce schedule and budget compliance contractually	
	***end***		
<b>Evaluation</b> (Provided by the evaluation team) Include as appropriate:			
<b>Scope</b>	The scope of the project WBS, schedule, budget and PWS/SOW will change.		
<b>Schedule</b>	The schedule will continue its current performance trend of decreasing (ahead of projections). However, the cost of these reductions will be monitored and equitable.		
<b>Cost</b>	Changes will result slightly increase from the original estimate. However, an overall cost decrease of 10% of budget at completion will be realized.		
<b>Quality</b>	Quality will be improved. IN addition, the quality team will enforce contractual compliance.		
<b>PRIORITY:</b>			
<div style="display: flex; justify-content: space-around; align-items: center;"> <span>LOW</span> <span>MEDIUM</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">HIGH</span> </div>			
<b>DECISION/DISPOSITION:</b>			
<div style="display: flex; justify-content: center; align-items: center;"> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">APPROVE</span> <span>Comments: ____</span> </div>			
<div style="display: flex; justify-content: center; align-items: center;"> <span>CORRECT/REVISE AND RESUBMIT</span> <span>Comments: ____</span> </div>			
<div style="display: flex; justify-content: center; align-items: center;"> <span>REJECT DELIVERABLE</span> <span>Comments: ____</span> </div>			
<b>FUNDING SOURCE:</b>			
Budget Savings from initial process and schedule improvements.			
<b>AUTHORITY/SIGNATURE:</b>			
<u>DUSTIN DICKENS 04/30/2017</u>		<u>Jenna BILLARD 04/30/17</u>	
PROJECT MANAGER NAME/SIGNATURE/DATE		APPROVAL AUTHORITY NAME/SIGNATURE/DATE	

**Change 4: Supplier Invoicing Error**

Change Request Form			
Project Name	ABC Inc. Bicycle Project		
Project Manager	Dustin Dickens	Change Request Date	5/8/2017
Requested by	Bobby Bonilla	Department	Multiple (Planning, Supplier Management, Quality)
Change Request Identification (Provided by the project manager)			
Change Request #	100004		
Change Title	Supplier (XXX) Invoice Timeframe/Limit		
Change Request Details (Provided by the requestor)			
Reference	Description	Rationale/Reason (Goal)	
1	Update Performance work statement (PWS)/Statement of work (SOW) Delivery section to read: "schedule variance cannot exceed 5% and the associated budget (supplier invoices) cannot exceed the value of the schedule. For example if the schedule is reduced 5% the budget/cost/supplier invoice can only increase to represent the value of the schedule savings. Furthermore supplier quality assurance team will ensure all changes are equitable and approve all invoices"	Add quality oversight of invoices. To bring schedule/cost into compliance.	
2	Establish quality assurance team will be to approve and sign supplier invoices for all sub-contracted parts (WBS 1.1, 1.2, 1.3, 1.4, 1.5, & 1.6)	This will enforce schedule and budget compliance contractually	
	***end***		
Evaluation (Provided by the evaluation team) Include as appropriate:			
Scope	The scope of the project WBS, schedule, budget and PWS/SOW will change.		
Schedule	The schedule will correct itself (normalize) once measure/corrective actions are implemented. 24% correction		
Cost	Changes will result slightly increase from the original estimate. However, an overall cost decrease of 10% of budget at completion will be realized.		
Quality	Quality will be improved. IN addition, the quality team will enforce contractual compliance.		
PRIORITY:			
<div style="display: flex; justify-content: space-around;"> <span>LOW</span> <span>MEDIUM</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">HIGH</span> </div>			
DECISION/DISPOSITION:			
<div style="display: flex; justify-content: space-around;"> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">APPROVE</span> <span>Comments: ____</span> </div>			
CORRECT/REVISE AND RESUBMIT Comments: ____			
REJECT DELIVERABLE Comments: ____			
FUNDING SOURCE:			
Budget Savings from initial process and schedule improvements.			
AUTHORITY/SIGNATURE:			
DUSTIN DICKENS 05/08/2017		Jenna BILLARD 05/08/2017	
PROJECT MANAGER NAME/SIGNATURE/DATE		APPROVAL AUTHORITY NAME/SIGNATURE/DATE	

### References

Project Management Institute. (2006). *Practice standard for work breakdown structures* (2nd ed.). Newtown Square, PA: Project Management Institute, Inc. .

Shacklett, Mary. (2012). *10 IT risk management issues that are often overlooked*. Retrieved from <http://www.techrepublic.com/blog/10-things/10-it-risk-management-issues-that-are-often-overlooked/>