



BSBPMG533

**ASSESSOR GUIDE**

## Manage project cost

Assessment 3 of 7

Project: Project 2

CBSA Conference Project

## Assessment Instructions

### Task overview

This assessment task is divided into two [2] parts:

- Part A – Resolve cost variations and analyse possible solutions [project]
- Part B – Monitor and manage project costs [project]

Read the case study and complete each part.

### Additional resources and supporting documents

To complete this assessment, you will need:

- BD001 Business Plan
- CBSA project budget [from your assessment submission in Task 2, Part B]

## Assessment Information

### Submission

You are entitled to three (3) attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.

### Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment [e.g. allowing additional time]
- the evidence gathering techniques [e.g. oral rather than written questioning, use of a scribe, modifications to equipment]

However, the evidence collected must allow the student to demonstrate all requirements of the unit.


Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

## Task instructions Part A: Resolve cost variations and analyse possible solutions

Read the e-mail from Trish Gibbon and the table of project costs and complete the following steps.



To: Evan Pierce [Evan.pierce@cbsa.com.au]  
From: Trish Gibbons [trish.gibbons@cbsa.com.au]  
Date/time: Monday 10:15 a.m.  
Subject: Updated project costs  
Attachments: Table of project costs.docx

To Evan,


I just received a few conference project proforma and invoices from various product and service providers, and I'm forwarding them to you in the attached table for your information.

Can you please refer to the cost management plan, monitor the project costs, update the budget, and resolve the cost variations? Analyse the possible solutions and alternatives and e-mail the updated project budget with your suggestions to Gavin Stead for approval. Report your latest project costs in the e-mail.

Please don't hesitate to contact me if you need more information.

Kind regards,  
Trish Gibbons

Accounts Officer  
300 Fictional Way, Sydney, NSW 2000  
Phone: 1800 111 222  
[www.cbsa.com.au](http://www.cbsa.com.au)



### ATTACHMENT BELOW:

- *Table of project costs.docx*

Updated projected costs	
Venue and equipment hire (to be paid)	\$30,000+10% GST
Catering (to be paid)	\$15,000+10% GST
Keynote Speaker 1 is asking for	\$3,000
Keynote Speaker 2 is asking for	\$3,000
Speakers' travel and accommodation (to be paid)	\$4,000
Marketing Products (to be paid)	\$800

### Steps

Based on the case study e-mail information, complete the following steps.

1. In **Assessment Task 2, Part B: Develop project budget**, you developed a **CBSA Project Budget**. Review the information provided and update the budget you developed to show the actual and difference in expenses.
2. Analyse the variances in the budget to determine if the costs are in the tolerance range or if an additional budget is needed. Complete the following **e-mail template** to e-mail Gavin Stead an update of the project budget and explain the possible causes of the variances and possible solutions (if required) to address the variance.

Approximate word count: 140 to 160 words

Your assessor will be looking to see if you have used:

- appropriate language for the e-mail
- correct spelling, punctuation and grammar

To:	
From:	
Date/time:	
Subject	

Salutation


E-mail body

Student name

300 Fictional Way, Sydney, NSW 2000

Phone: 1800 111 222

[www.cbsa.com.au](http://www.cbsa.com.au)



## Submission instructions

Submit your assessment via the LMS.

## Assessor instructions Part A: Resolve cost variations and analyse possible solutions

### Purpose of task

This assessment is designed to ensure students demonstrate their skills and knowledge to monitor and manage cost variations.

Students must demonstrate their theoretical knowledge to meet the knowledge requirements of the unit of competency, including the ability to update the budget and recommend solutions.

### Guidance to the assessor about the task

There is no submission due date for this task. Students may submit this task when they are ready.

Benchmark responses for the assessments have been provided.

The student must use the Project Budget Template provided to update the Project Budget Details. The student must use the information provided in the e-mail attachment and update the project budget. Students will use the budget developed in Assessment Task 2, Part B: Develop project budget to update the project budget details, including the actual and differences. The following information must be updated in the budget:

Venue and equipment hire (to be paid)	\$30,000+10% GST
Catering (to be paid)	\$15,000+10% GST
Keynote Speaker 1 is asking for	\$3,000
Keynote Speaker 2 is asking for	\$3,000
Speakers' travel and accommodation (to be paid)	\$4,000
Marketing Products (to be paid)	\$800

An example of the budget is provided below:

PROJECT BUDGET TEMPLATE								
Project Budget Details								
Project Name	Planning and Leadership Conference							
Project Lead	Gavin Stead – MD CBSA							
Start Date	May 20??							
Total Budget	\$79,848							
Actual	To be determined							
Difference	-\$6,200							
Budget Breakdown								
WBS level	Task	Labour		Physical resources		Budget	Actual	Difference
		Hr	Rate	Materials	Products			
1.	Project Staff Assign Project officer and admin staff x 4 weeks. Engage staff	PO \$45p/h Admin \$29p/h	PO \$6,840 Admin \$4,408	\$400	\$800	\$12,448		\$0
2.	Venue Get 3 quotes – decide	Project staff	Project staff	\$0	\$0	\$30,000 + \$15,000	\$33,000 +	-\$4,500

	Book venue, equipment, arrange catering							
3.	<b>Speakers</b> Decide topics Identify speakers Arrange speakers Brief speakers	Project staff	Project staff	\$0	\$0	\$4,000 + \$7,200 + \$4,500	\$6,000 + \$7,200 + \$4,000	-\$1,500
4.	<b>Marketing</b> Decide marketing strategies Develop promotional materials Implement marketing communications	Project staff	Project staff	\$600	\$600 (\$800)	\$1,200	\$1,400	-\$200
5.	<b>Registration</b> Prepare conference materials Create registration process Process registrations	Project staff	Project staff	\$3,000 \$500	\$2,000	\$5,500		\$0
<b>Total</b>						\$79,848		-\$6,200

The student must write an e-mail to Gavin Stead and:

- use the CBSA e-mail template.
- address it to the appropriate persons, i.e. Gavin Stead.
- include a suitable subject heading, e.g. request new project budget approval.
- outline the purpose of the e-mail.
- include only relevant information and any action to be taken.
- use appropriate language for information communicated to a manager, e.g. polite, respectful, clear and short.
- suggest actions to resolve variations. The focus of feedback must include an analysis of the venue, speakers and marketing.

WBS level	Task	Labour		Physical resources		Budget	Actual	Difference
		Hr	Rate	Materials	Products			
2.	<b>Venue</b> Get 3 quotes – decide	Project staff	Project staff	\$0	\$0	\$30,000 + \$15,000	\$33,000 + \$16,500	-\$4,500

	Book venue, equipment, arrange catering							
3.	<b>Speakers</b> Decide topics Identify speakers Arrange speakers Brief speakers	Project staff	Project staff	\$0	\$0	\$4,000 + \$7,200 + \$4,500	\$6,000 + \$7,200 + \$4,000	-\$1,500
4.	<b>Marketing</b> Decide marketing strategies Develop promotional materials Implement marketing communications	Project staff	Project staff	\$600	\$600 (\$800)	\$1,200	\$1,400	-\$200

For example, potential issues relating to the venue [e.g. budget variances are still within the agreed 10% tolerance]; keynote speaker are over, so the budget will need to be changed, or an acceptable response would be to find an alternative keynote speaker who may agree to be paid \$2,000 each].

An example e-mail to Gavin Stead is provided below:

Hi Gavin

I would like to provide an update about the recent project expenditures received from our product and service providers.

- The venue and catering service's actual cost is increased by 10%. We assumed the quoted prices were GST-inclusive, and we need to settle the rest of the payment, and their contracts indicate prices are GST exclusive.
- Identified keynote speakers are each asking for \$3,000, which is \$2,000 above our estimation.
- We have saved \$500 in travel and accommodation expenses for other speakers.
- We have to pay \$200 more for promotional products.
- Overall variance from the budget is \$6,200, which is still within the agreed 10% tolerance range. Given that most of the tasks are finalised, the rest of the ongoing activities finish within the estimated amounts. So, no changes to the project budget are needed; however, I will research to identify two alternative keynote speakers who would agree to attend our conference for \$2,000 or less if possible.
- Please approve changes to venue and catering payments to finalise their bookings.

If there is anything you need me to follow up on further, please let me know.

Regards

Evan Pierce

Review all evidence and mark using the assessment checklist and assessment marking criteria.

## Marking criteria Part A: Resolve cost variations and analyse possible solutions

### Assessment submission checklist

Students must have completed all tasks within this assessment before submitting. This includes:

**Part A: Resolve cost variations and analyse possible solutions**

1.	Updated CBSA Project budget with actual and difference costs (attachment)	<input type="checkbox"/>
2.	E-mail to Gavin Stead	<input type="checkbox"/>

### Assessment marking criteria

Assessor instructions: All sections must be completed. Refer to the template for sample answers and benchmarks.

The evidence submitted demonstrates that the student has satisfactorily (S) covered the following criteria, or the evidence is not yet satisfactory (NYS) and requires resubmission.

MARKING CRITERIA		Satisfactory [S]	Not Yet Satisfactory [NYS]
1.	The student updated the project budget, including: <ul style="list-style-type: none"> <li>Actual expenses</li> <li>Differences column completed to identify the difference between budget and actual</li> </ul>	<input type="checkbox"/> S	<input type="checkbox"/> NYS
2.	The student completed the CBSA e-mail to provide information to Gavin Stead, including: <ul style="list-style-type: none"> <li>used CBSA e-mail template</li> <li>provided an update on the project budget</li> <li>explained the variances and possible solutions (if needed) to address the variance</li> <li>used appropriate language, spelling, punctuation and grammar</li> </ul>	<input type="checkbox"/> S	<input type="checkbox"/> NYS



## Task instructions [for the student] Part B: Monitor and manage project costs

Case study: The conference finished yesterday, and you have received the following e-mail. Read the e-mail and complete the following steps.



To: Evan Pierce [Evan.pierce@cbsa.com.au]  
From: Trish Gibbons [trish.gibbons@cbsa.com.au]  
Date/time: Friday 10:15 a.m.  
Subject: Updated project costs  
Attachments: Table of project costs.docx

To Evan,

I received a cleaning invoice from the venue manager indicating the cleaning service provided during and after the event. In addition to the initial agreed fee, they charge us for additional \$500 for professional carpet cleaning due to various stains from spilt coffee and drinks.

You can find attached the table with additional information about the conference project costs.

Please don't hesitate to contact me if you need more information.

Kind regards,

Trish Gibbons

Accounts Officer

300 Fictional Way, Sydney, NSW 2000

Phone: 1800 111 222

[www.cbsa.com.au](http://www.cbsa.com.au)



### ATTACHMENT BELOW:

- [Table of project costs.docx](#)

Actual costs	
Venue cleaning (to be paid)	\$500
Registration material and product \$2,500 and \$2,000	\$4,500
Keynote Speaker 1	\$2,000
Keynote Speaker 2	\$3,000

### Steps

Review the e-mail and actual costs.

1. In Part A, you updated the CBSA project budget. Analyse the information received and update the CBSA **project budget** with the actual and difference in expenses.

2. Analyse the variances in the budget to determine if the costs are in the tolerance range or if an additional budget is needed. Complete the following **e-mail template** to e-mail Gavin Stead to provide the updated project budget with an explanation of the variances and possible solutions (if required) to address the variance.

Approximate word count: 200 words

Your assessor will be looking to see if you have used:

- appropriate language for the e-mail
- correct spelling, punctuation and grammar

Your assessor will be looking to see if you have used:

- appropriate language for the e-mail
- correct spelling, punctuation and grammar

To:	
From:	
Date/time:	
Subject	

Salutation


E-mail body

Student name

300 Fictional Way, Sydney, NSW 2000

Phone: 1800 111 222

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## Submission instructions

Submit your assessment via the LMS.

## Assessor instructions Part B: Monitor and manage project costs

### Purpose of task

This assessment is designed to ensure that students can demonstrate their skills and knowledge to monitor and manage cost variations.

Students must demonstrate their theoretical knowledge to meet the knowledge requirements of the unit of competency, including the ability to update the budget and recommend actions.

### Guidance to the assessor about the task

There is no submission due date for this task. Students may submit this task when they are ready.

The student must update the project budget from Part A and make the following changes as a result of:

Actual costs	
Venue cleaning (to be paid)	\$500
Registration material and product \$2,500 and \$2,000	\$4,500
Keynote Speaker 1	\$2,000
Keynote Speaker 2	\$3,000

An example project budget template is provided below:

PROJECT BUDGET TEMPLATE								
Project Budget Details								
Project Name	<i>Planning and Leadership Conference</i>							
Project Lead	<i>Gavin Stead – MD CBSA</i>							
Start Date	<i>May 20??</i>							
Total Budget	<i>\$79,848</i>							
Actual	<i>To be determined</i>							
Difference	<i>-\$4,700</i>							
Budget Breakdown								
WBS level	Task	Labour		Physical resources		Budget	Actual	Difference
		Hr	Rate	Materials	Products			
1.	<i>Project Staff</i> <i>Assign Project officer and admin staff x 4 weeks.</i> <i>Engage staff</i>	<i>PO</i> <i>\$45p/h</i> <i>Admin</i> <i>\$29p/h</i>	<i>PO</i> <i>\$6,840</i> <i>Admin</i> <i>\$4,408</i>	<i>\$400</i>	<i>\$800</i>	<i>\$12,448</i>		<i>\$0</i>
2.	<i>Venue</i> <i>Get 3 quotes –decide</i> <i>Book venue, equipment, arrange catering</i>	<i>Project staff</i>	<i>Project staff</i>	<i>\$0</i>	<i>\$0</i>	<i>\$30,000</i> <i>+</i> <i>\$15,000</i>	<i>\$33,000</i> <i>+</i> <i>\$16,500</i> <i>+</i> <i>\$500</i>	<i>-\$5,000</i>
3.	<i>Speakers</i> <i>Decide topics</i> <i>Identify speakers</i>	<i>Project staff</i>	<i>Project staff</i>	<i>\$0</i>	<i>\$0</i>	<i>\$4,000</i> <i>+</i> <i>\$7,200</i>	<i>\$5,000</i> <i>+</i> <i>\$7,200</i>	<i>-\$500</i>

	<i>Arrange speakers</i> <i>Brief speakers</i>					+	+	
						\$4,500	\$4,000	
4.	<b>Marketing</b> <i>Decide marketing strategies</i> <i>Develop promotional materials</i> <i>Implement marketing communications</i>	Project staff	Project staff	\$600	\$600 (\$800)	\$1,200	\$1,400	-\$200
5.	<b>Registration</b> <i>Prepare conference materials</i> <i>Create registration process</i> <i>Process registrations</i>	Project staff	Project staff	\$3,000 \$500	\$2,000	\$5,500	\$4,500	\$1,000
<b>Total</b>						\$79,848		-\$4,700

The student must write an e-mail to Gavin Stead and:

- Use the CBSA e-mail template.
- Address it to the appropriate persons, i.e. Gavin Stead.
- Include a suitable subject heading, e.g. request new project budget approval.
- Outline the purpose of the e-mail.
- Include only relevant information and any action to be taken.
- Use appropriate language for information communicated to a manager, e.g. polite, respectful, clear and short.
- Complete the e-mail footer specifying the job position they are role-playing, e.g. Evan Pearce, Administrative Officer.
- Suggest actions to finalise payments (e.g. budget variances are still within the agreed 10% tolerance; however, the student still needs Gavin's approval for a \$500 cleaning payment as it is higher than \$200).

An example e-mail is provided below:

Hi Gavin

I would like to provide an update about the recent project expenditures received from our product and service providers.

- The venue is asking for an additional \$500 cleaning cost due to multiple stains from coffee and drink spills.
- I was able to replace one of the keynote speakers. The identified alternative keynote speaker is to be paid \$2,000.
- We have saved \$1,000 in registration costs.
- Overall variance from the budget is currently \$4,700, which is within the agreed 10% tolerance range. Given the fact that the only cost to be finalised is the project staff cost, it is estimated that the project will finish within the budget tolerance.

- Please approve venue cleaning payment for \$500 to finalise their contract and project finances.

If there is anything you need me to follow up on further, please let me know.

Regards

Evan Pierce

Review all evidence and mark using the assessment checklist and assessment marking criteria.

## Marking criteria Part B: Monitor and manage project costs

### Assessment submission checklist

Students must have completed all tasks within this assessment before submitting. This includes:

Part B: Monitor and manage project costs		
1.	Project budget	<input type="checkbox"/>
2.	E-mail to Gavin Stead	<input type="checkbox"/>

### Assessment marking criteria

**Assessor instructions:** All sections must be completed. Refer to the template for sample answers and benchmarks.

The evidence submitted demonstrates that the student has satisfactorily (S) covered the following criteria, or the evidence is not yet satisfactory (NYS) and requires resubmission.

MARKING CRITERIA		Satisfactory (S)	Not Yet Satisfactory (NYS)
1.	The student submitted an updated project budget, including: <ul style="list-style-type: none"> <li>updated actual expenses for project products and services</li> <li>identified the difference between the budget and the actual cost</li> </ul>	<input type="checkbox"/> S	<input type="checkbox"/> NYS
2.	The student completed the CBSA e-mail to provide information to Gavin Stead, including: <ul style="list-style-type: none"> <li>used CBSA e-mail template</li> <li>provided an update on the project budget</li> <li>explained the variances and possible solutions (if needed) to address the variance</li> <li>used appropriate language, spelling, punctuation and grammar</li> </ul>	<input type="checkbox"/> S	<input type="checkbox"/> NYS

**Congratulations, you have reached the end of Assessment 3**

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