

Answer the following questions: The exam has **FOUR** questions and **THREE** pages.

Questions No. 1: (20 Marks)

The following Table gives the activities involved in a small contract under both normal and crash conditions. The indirect cost for this contract is LE 250/week.

| Activity | Predecessors | Duration (week) | | Cost (LE) | |
|----------|--------------|-----------------|-------|-----------|-------|
| | | Normal | Crash | Normal | Crash |
| A | - | 7 | 3 | 1400 | 5400 |
| B | - | 9 | 5 | 4500 | 7500 |
| C | A | 8 | 5 | 2400 | 3900 |
| D | B | 14 | 9 | 1200 | 4200 |
| E | C, D | 4 | 2 | 800 | 2300 |
| F | B | 9 | 5 | 2700 | 5700 |
| G | F | 7 | 3 | 2100 | 5300 |
| H | E, G | 12 | 7 | 4900 | 6900 |

- Determine the minimum contract total cost corresponding to contract duration of 32 weeks. (8 marks)
- Considering the **schedule obtained in “a” above**, determine the schedule timing of the activities so that the weekly cost of the contract will not exceed LE 700/week. Use the activities normal cost given in the table above. (7 marks)
- Assume now that the project **before crashing** is under construction and at the beginning of week 15; the following information was obtained from the site as given in the table below. Using the activities normal duration given in the table above, update the project and mark the critical path. What is the percentage increase in the project duration? (5 marks)

| Activity | Status |
|----------|---|
| A, and B | Completed |
| C | Remaining duration = 2 weeks |
| D | Remaining duration = 9 weeks |
| E | Volume of work increased by 50% |
| F | Not started yet |
| G | Logic error, activity G should follow D and F |

Questions No. 2: (16 Marks)

- a. Consider the project given in the next table. Find the probability that the project will be completed within 70 days. What is the project expected duration corresponding to 70% assurance? (8 marks)

| Activity | Duration (days) | | | Dependencies |
|----------|-------------------|--------------------|--------------------|--------------|
| | Optimistic (a) | Most likely (m) | Pessimistic (b) | |
| A | 10 | 16 | 22 | - |
| B | 24 | 32 | 42 | - |
| C | 22 | 32 | 40 | A |
| D | 12 | 16 | 21 | B |
| E | 20 | 25 | 35 | C, D |
| F | 13 | 16 | 19 | A, B |

Area under the Normal Curve Measured from the Center

| SD | Area % from the center | SD | Area % from the center |
|--------------|------------------------|-----|------------------------|
| 0.1 σ | 4.0 | 1.6 | 44.5 |
| 0.2 | 7.9 | 1.7 | 45.5 |
| 0.3 | 11.8 | 1.8 | 46.4 |
| 0.4 | 15.5 | 1.9 | 47.1 |
| 0.5 | 19.2 | 2.0 | 47.7 |
| 0.6 | 22.6 | 2.1 | 48.2 |
| 0.7 | 25.8 | 2.2 | 48.6 |
| 0.8 | 28.8 | 2.3 | 48.9 |
| 0.9 | 31.6 | 2.4 | 49.2 |
| 1.0 | 34.1 | 2.5 | 49.4 |
| 1.1 | 36.4 | 2.6 | 49.5 |
| 1.2 | 38.5 | 2.7 | 49.6 |
| 1.3 | 40.3 | 2.8 | 49.7 |
| 1.4 | 41.9 | 2.9 | 49.8 |
| 1.5 | 43.3 | 3.0 | 49.9 |

- b. A contractor's expected monthly cost is shown in the following table. The contract conditions are as follows: The contractor adds a markup of 5% to his total cost; Owner retains 10% of any payment and will be paid back with the last payment.; owner delays the payments for one month and Bank interest rate is 12% per year.

| | | | | | | | | |
|-----------|------|------|------|------|------|------|------|------|
| Month | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Cost (LE) | 3000 | 5000 | 4000 | 7000 | 6000 | 8000 | 4000 | 3000 |

Calculate the contractor's monthly cash flow and find the highest amount of cash the contractor needs and the month in which this amount is needed? (8 marks)

Questions No. 3: (14 Marks)

- a. Your bonding company has asked for the status of a telecommunication project. Accordingly, your cost accounting section and project manager have provided you with the following information shown

Questions No. 2: (16 Marks)

- a. Consider the project given in the next table. Find the probability that the project will be completed within 70 days. What is the project expected duration corresponding to 70% assurance? (8 marks)

| Activity | Duration (days) | | | Dependencies |
|----------|-----------------|-----------------|-----------------|--------------|
| | Optimistic (a) | Most likely (m) | Pessimistic (b) | |
| A | 10 | 16 | 22 | - |
| B | 24 | 32 | 42 | - |
| C | 22 | 32 | 40 | A |
| D | 12 | 16 | 21 | B |
| E | 20 | 25 | 35 | C, D |
| F | 13 | 16 | 19 | A, B |

Area under the Normal Curve Measured from the Center

| SD | Area % from the center | SD | Area % from the center |
|------|------------------------|-----|------------------------|
| 0.1σ | 4.0 | 1.6 | 44.5 |
| 0.2 | 7.9 | 1.7 | 45.5 |
| 0.3 | 11.8 | 1.8 | 46.4 |
| 0.4 | 15.5 | 1.9 | 47.1 |
| 0.5 | 19.2 | 2.0 | 47.7 |
| 0.6 | 22.6 | 2.1 | 48.2 |
| 0.7 | 25.8 | 2.2 | 48.6 |
| 0.8 | 28.8 | 2.3 | 48.9 |
| 0.9 | 31.6 | 2.4 | 49.2 |
| 1.0 | 34.1 | 2.5 | 49.4 |
| 1.1 | 36.4 | 2.6 | 49.5 |
| 1.2 | 38.5 | 2.7 | 49.6 |
| 1.3 | 40.3 | 2.8 | 49.7 |
| 1.4 | 41.9 | 2.9 | 49.8 |
| 1.5 | 43.3 | 3.0 | 49.9 |

- b. A contractor's expected monthly cost is shown in the following table. The contract conditions are as follows: The contractor adds a markup of 5% to his total cost; Owner retains 10% of any payment and will be paid back with the last payment.; owner delays the payments for one month and Bank interest rate is 12% per year.

| Month | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-----------|------|------|------|------|------|------|------|------|
| Cost (LE) | 3000 | 5000 | 4000 | 7000 | 6000 | 8000 | 4000 | 3000 |

Calculate the contractor's monthly cash flow and find the highest amount of cash the contractor needs and the month in which this amount is needed? (8 marks)

Questions No. 3: (14 Marks)

- a. Your bonding company has asked for the status of a telecommunication project. Accordingly, your cost accounting section and project manager have provided you with the following information shown

in the table below as per today. Calculate the SV, SPI, CV, and CPI as the performance indicators of your project. (6 marks)

| Activity Description | Total activity budget (LE) | Scheduled percentage complete | Actual percentage complete | Actual cost to date |
|------------------------|----------------------------|-------------------------------|----------------------------|---------------------|
| - Building permit | 2,000.0 | 100 | 100 | 1,258.0 |
| - Temp. networks | 25,000.0 | 100 | 100 | 26,497.0 |
| - Order cable trays | 8,000.0 | 100 | 100 | 7,957.0 |
| - Order routers | 10,000.0 | 100 | 100 | 9,017.0 |
| - Remove ceilings | 18,000.0 | 100 | 100 | 11,427.0 |
| - Install cable trays | 28,000.0 | 100 | 100 | 19,753.0 |
| - New servers | 20,000.0 | 100 | 70 | 11,271.0 |
| - Cable TV | 10,000.0 | 100 | 10 | 793.0 |
| - Backbone and routers | 20,000.0 | 50 | 5 | 327.0 |
| - LANs | 17,500.0 | 20 | 0 | 0 |
| - Connect and test | 15,000.0 | 0 | 0 | 0 |
| - New ceilings | 20,000.0 | 0 | 0 | 0 |

- b. The opposite table shows the activities involved in a single house. If you are to construct these activities for 5 houses in 24 days, calculate the number of crews needed to be involved in each activity. Assume one day buffer time between activities, draw the line of balance for this project. (8 marks)

| Act. | Predecessors | Duration (days) |
|------|--------------|-----------------|
| E | --- | 2 |
| S | E | 2 |
| F1 | E | 4 |
| F2 | S | 4 |
| W1 | F1 | 3 |
| W2 | W1, F2 | 3 |