Cost Management

1. Planning/Budgeting:
   - Owner’s Historical Cost Data
   - Owner’s Project Budget Elements/Development/Verification
   - Difference between Project Budget vs. Construction Budget
   - Contingencies – type, definition, and uses (and vs. escalation)
   - Cash flow projections

2. Designing to the Budget:
   - Design-to-Dollar amount
   - Cost Model
   - Cost Estimating
   - Current Market Conditions/Survey
   - Design contingency and Contractor contingency
   - Escalation factor
   - Scope creep
   - Design assist/IPD-ish

3. Value Management:
   - Value analysis/value engineering
   - Use of allowance
   - Use of alternates
   - Decision impacts
   - Procurement strategies

4. Construction Phase Cost Management:
   - Cost Review/Monitoring – Guaranteed Maximum Price (GMP) versus Lump Sum Price
   - Change Order Management
   - Contingency Management – Contractor and Owner
   - Claims avoidance/process

5. Financial Project Close Out:
   - Final payment application
- Final lien waivers
- Retainage release
- Final payment
- Final cost accounting