



Internal Estimate Request Plan, Policy, and Procedure

(AMS-GEN-006)

I. Objective

Establish a formal request process for one AMS Controls department to request project time and costs estimates from another AMS Controls area.

II. Hypotheses

A formal request process and form will:

A. Promote better communication:

1. Provides specific details (scope) for a project.
2. Generates a referenceable document for all involved parties.
3. Provides continuity for everyone.

B. Protect the company from customer-based scope creep.

C. Establish all expectations:

1. Documents customer responsibilities.
2. Documents the deliverable.

D. Promotes scheduling

1. Allocation of internal resources.
2. Defines a realistic project duration.
3. Establishes a realistic delivery date.

E. Helps customer to re-evaluate needs in relation to the costs.

F. Defines ownership of the project and accountability for results.

III. Affected Internal Areas

A. Engineering/IT

B. Sales

C. Tech Services

D. Production

E. Finance

F. HR

IV. Training

A. Policy and Procedure Training to all affected areas

B. Internal Estimate Request document training

V. Policy

AMS Controls has identified the need to provide accurate internal estimates from one department to another for the purpose of accurately defining a project and its associated costs.

A. All external projects must comply with this policy.

B. Internally, this policy should be applied at the discretion of the requested department head.

- C. Costs provided in an internal estimate are internal resource rates and do not reflect any margin to an external customer.
- D. For external customers, the appropriate margin is added by the project requestor.
 - Referenced costs resulting from this form are for internal use only.
 - Recommended cost to the customer can be supplied.

VI. Procedure

When a project is proposed for an internal or external customer:

- A. The Requestor fills out the Internal Estimate Request form ([AMS-GEN-009](#)) defining and identifying:
 - 1. The objective of the requested project.
 - 2. The scope of the requested project.
 - 3. The theory of operation of the requested project.
 - 4. All departments to be involved in the requested project.
- B. The Requestor and all affected department heads hold an initial Kickoff meeting to:
 - 1. Review the project.
 - 2. Identify any other departments that need to be involved.
 - 3. Assign a Driver (the department head most affected by the project).
- C. The Driver routes the Internal Estimate Request form to an affected Department Head.
 - From this point on, the form should be prioritized, and each Department Head and Estimator should endeavor to complete their portion and route it to the next individual on the list *as soon as possible*.
- D. The Department Head assigns a Project Estimator.
- E. The Project Estimator defines specific project details:
 - 1. Obtains further information from the customer as needed.
 - 2. Identifies any additional departments that should be involved.
- F. The Project Estimator generates an estimate and records it on the Internal Estimate Request form.
- G. The Project Estimator routes the Internal Estimate Request form back to Department Head.
- H. The Department Head approves and signs off on the estimate.
- I. The Department Head routes the Internal Estimate Request form.
 - If another department must provide an estimate as well, the Department Head routes the Internal Estimate Request form to the next Department head (repeat steps C-I).*
 - If no other department needs to provide an estimate, proceed to step J.*
- J. The Department Head routes the Internal Estimate Request form back to the Requestor.
- K. Margins, approvals, and scheduling:
 - *If the request is for an external customer,*
 - a) The Requestor applies the appropriate margins to the internal cost to generate an external customer price.
 - b) The customer is shown and approves the quoted estimate and OKs the project.

c) Proceed to step L.

- *If the request is for an internal customer,*
 - a) Proceed directly to step L.

L. The appropriate Department Heads schedule the requested project.

VII. Internal Changes Required

- Area to maintain all requests
- Establishment of formal Internal Estimate Request document
 - Reference: Internal Estimate Request Form [AMS-GEN-009](#).

VIII. Concurrent Business Opportunity

N/A

Approved by _____

Implementation date: _____